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LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

CANADIAN MINING NEWS DEPARTMENT ON PAGES 19-20

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The Nation's Business

The Propaganda for Central Bank
London Group Are Back of It
Seek Empire Control
Bennett's Confusing Western Comments
Montagu Norman's Offensive Address in London

The Real Influence For a Central Bank

MR. BENNETT'S statements in Western Canada regarding the establishment of a central bank are mystifying. Mr. Bennett is a vigorous speaker but not a precise one; his remarks are often incomplete without interpretation or explanation. In such interpretation one attempts to avoid putting into his mouth statements that he did not make or intend to make. But it seems clear that in Western Canada, Mr. Bennett said that Canada's decision to establish a central bank was made when the world economic conference passed a resolution urging that central banks should be created in such developed countries as have not at present an adequate central banking institution.

The resolution of the conference was merely a recommendation which repeated recommendations that had been made by various League of Nations conferences and committees on several previous occasions. For instance, the League's economic conference in 1920 recommended that "in countries where there is no central bank of issue, one should be established." It is hard to understand why the resolution of the 1933 conference should commit Canada in any degree when the 1920 and many subsequent resolutions were completely ignored here.

It is unfortunate that Mr. Bennett did not let the people of Canada know, on July 27 last when the reports of the various sub-committees of the Economic Conference were approved in London, that he interpreted them to mean that Canada had decided for a central bank because on July 27 Lord Macmillan had not arrived in Canada and the Macmillan Commission had not begun its work. More than 1,000,000 words of evidence were given before this Royal Commission, a very substantial portion of which was devoted to discussing the question of whether or not there should be a central bank in Canada. Had Mr. Bennett told the people of Canada what he now professes was an established fact before the Macmillan Commission met, much time and energy could have been saved to banking authorities, academic experts, business men, boards of trade and members of the Macmillan Commission itself.

* * *

IT IS interesting to have it admitted on the authority of the Prime Minister of Canada that the decision to establish a central bank in Canada was made some months ago. The Financial Post is quite prepared to believe that this is the case, but it is inclined also to believe that the well integrated group of international bankers whose chief financial instrument is the Bank of England have had much more to do with the decision than had the World Economic Conference. The Bank of England crowd have worked persistently to establish in the Empire a ring of central banking organizations which would be dominated by a keystone institution in London, thus strengthening the grip of a small London group on Empire finance, and making banks in the various Dominions pawns of a gigantic scheme of Imperial control through finance. Undoubtedly the influence of this group will be seen in the majority report of the Macmillan Commission. Already their agents have been active in Ottawa, attempting to shape the foundation on which our new banking legislation will be erected, so that it will fit the particular type of architectural conception they have in mind. They have been busy in New Zealand where a furore has been aroused by the prospect of Bank of England domination of that country's central bank policy.

* * *

THE real fight on the question of a central bank or some new form of monetary control for Canada will come when legislation is introduced into Parliament. Then it will be the job of our bankers and our parliamentarians to bring into the open not only the academic argument but all phases of the central banking propaganda, to which so many well-intentioned theoreticians in Canada have lent themselves.

That there is room for some useful modification of our present system of monetary control in Canada is recognized. The nature of the modifications that might be made

(Continued on page 2, col. 3)

HEAR OTTAWA PLANS TO PLUG ANNUITY LEAK

Obsolete Rates, Free Service Have Cost Taxpayers $825,000 Since '29

RATES MAY INCREASE

Drastic Action Needed to Curb Further Drains on Federal Treasury

An increase in rates by the Government Annuities Branch is pending according to information given The Financial Post. Official confirmation is lacking, but it is thought probable that the new rates will be promulgated shortly.

Such a change is long overdue and it is hoped the new rates will plug to some extent a leak that has cost taxpayers at least $825,000 in the past four years.

For years life insurance companies in Canada have complained against the unfair competition of the federal annuities branch. It not only operates at the expense of Canadian taxpayers as far as all expenses of administration and so forth are concerned, but it sells annuities on an obsolete mortality table which is hopelessly "loaded" in favor of annuitants and against the Federal Government. It was prepared in 1893 and since then the mortality of annuitants has been consistently improving which is one reason why life companies have had to steadily increase their rates.

Money Costs 10 Per Cent

By the use of this obsolete mortality table, experts estimate that the Government is paying anywhere from 7 to 10 per cent per annum for the money it disburses to annuitants.

Added weight is given to the need for a revision of Government annuities by two significant facts. First that the Consolidated Fund of the Dominion is being "raided" to the extent of over $200,000 annually to provide administrative expenses and for a deficiency in reserves, and secondly that leading life companies in Canada have recently announced a considerable increase in their annuity rates because they found that even on their old rates (which were on a considerably more rigid basis than that the Government is using) they were losing money.

Huge Spread in Rates

A few comparative figures showing the ridiculous "spread" between life company and federal annuity rates is given in the following table. It compares the new

(Continued on page 2, col. 4)

Weeks Figures Show Progress From Last Year

Export figures for September, released during the past week, add another bright spot to the mass of data of the past six months indicative of increased business activity. The 36 per cent increase from last year is even more noteworthy in view of the small movement of wheat as compared with 1932.

The Financial Post business index continued to advance in September although some early indicators had tended to create the belief that business expansion had been at least temporarily halted. Compared with a year ago, the index shows a gain of 14.1 per cent.

Liquidation of almost all commodities caused a further recession in prices during the past week, the bright spot in both Canada and the United States being provided by wheat which strengthened on Tuesday after declining to near the low levels of early spring. Lack of demand is affecting many commodity lines, although iron and steel lines have shown surprising strength.

Monthly		Sept., 1933	Change From Prev. Period %	Change From Prev. Year %
Exports	$	58,828,502	+29.1	+36.2
Imports	$	38,698,416	— 0.1	+12.3
W'sale prices Index		68.9	— 0.7	+ 4.5
F. P. Bus. Index		90.4	+ 2.0	+14.1
Cigarette consump.	No.	401,231,720	— 2.1	+28.0
Weekly *				
Carloadings	No.	53,198	+ 8.8	+ 0.8
Wheat exp.	bu.	4,215,534	+10.5	—46.8
Cattle sales	No.	14,295	+ 0.4	+37.4
Hog sales	No.	17,888	+ 1.0	— 4.0

*Weeks ended Oct. 7, 6, 12 and 12 respectively.

He Will Continue Tax Fight

—Caricature by Cecil.

W. SANFORD EVANS

Who was last week elected president of the Canadian Chamber of Commerce. In private life, Mr. Evans is Canada's leading wheat statistician and prairie crop expert. During the past year he has conducted the chamber's researches into our rising burdens of public expenditure and his selection to head the chamber for 1933-1934 indicates that body's intention of carrying on vigorously its campaign for relief for Canadian taxpayers.

In his spare time, Mr. Evans acts as leader of the Conservative party in the Manitoba Legislature, perhaps the least exacting of his duties, considering the paucity of Tories in that house. He is a minister's son and an ex-newspaper reporter; he was president of the first Canadian Club in Canada; he was the author of a famous study of the possibility of a Georgian Bay canal and once was mayor of Winnipeg.

U.S.A. URGES CANADA ADOPT NRA POLICIES

Loss of Export Market Given as Alternative by U. S. Executives

From Our Own Correspondent

OTTAWA.—Requests that Canada either adopt the codes of the N.R.A., in all industries exporting to the United States or raise export prices so as not to undersell code production costs have been made to members of the Federal cabinet in the past week. These requests were made by prominent United States industrialists and financiers and although informal and private it is understood have the backing of Washington.

Failing adoption by Canadian export industries of the N.R.A., codes in so far as production costs may be affected, it is understood the Roosevelt administration will place restrictions upon these exports in order to protect domestic producers. The industries chiefly concerned are copper and newsprint. In fact, the whole lumber industry is affected but it is pointed out that the shingle producers of British Columbia already have adopted the codes.

Newsprint Good Example

Something of what is required of Canadian export industries is indicated by detail, semi-official in character, showing how the newsprint industry will be affected. It is understood that the United States producers contend that the N.R.A. code has substantially increased their production costs and that, failing an increase in Canadian prices, they stand either to lose much of their business or accept crushing losses.

It is suggested that Canadian newsprint mills must charge at least $45 per ton and, possibly, $50 to escape the charge of underselling American mills working under the N.R.A.

This is the first direct reaction of the N.R.A., on Canada. It is understood the Federal cabinet ex-

(Continued on page 2, col. 5)

WHITTALL CAN INCOME AHEAD SUBSTANTIALLY

Volume of Sales Records Sharp Increase This Year

From Our Own Correspondent

MONTREAL.—Marked increase in sales since the beginning of the company's current fiscal year last March, is reflected in a substantial improvement in earnings of Whittall Can Co., according to Fred R. Whittall, general manager. At present the company has on hand an excellent volume of business and there is every indication that earnings for the full year will be the best reported in some time.

Improvement in business is not confined to any one department, all divisions sharing in the better demand. This is particularly the case in the general lines department, there having been a heavy demand for paint, varnish, cocoa, honey and other similar containers.

Sales of sanitary cans for the packing of vegetables and fruits has not been as good as usual, due to the smaller crops. Compensation for this is seen in the improved position of the company's controlled unit, Associated Quality Canners, whose position is reviewed later.

Cover Preferred Dividend

Earnings so far this year have been ample to cover dividends on the preferred stock. Owing to the

(Continued on page 2, col. 3)

Brompton Pulp Turns Corner During August

From Our Own Correspondent

MONTREAL.—Brompton Pulp and Paper Co., controlled by St. Lawrence Corp., operated at a profit in all departments during August last. This was the first month this year that the company has been able to get out of the "red." For some months past, however, it has been noted that the operating deficit has been growing smaller indicating a consistent improvement in the demand for the company's products. The kraft department has been the most consistently profitable one this year. The newsprint division has shown signs of improvement, while lately the groundwood department started to show profits.

Last year Brompton had an operating deficit of $670.931 before depreciation and depletion charges. In the previous year there had been a profit of $174.322, while prior to that the company had been showing profits of better than $1,000,000 annually.

Since the turn of the year there has been a change in the management of Brompton. Previously Brompton, St. Lawrence Paper Mills and Lake St. John had been operated by one management. Bondholders of Lake St. John are now in control of that unit, following default of interest payments. The decentralization of management has continued further by setting up a special committee to handle the affairs of Brompton.

Canada Cement Earnings Will Cover Bond Interest

From Our Own Correspondent

MONTREAL.—Volume of business handled by Canada Cement Co. to date has been somewhat less than a year ago and expectations are that for the fiscal year ending November 30 next the company will be able to show sufficient net income to take care of interest charges on the funded debt without making provision for depreciation.

Last year the company reported a gross income of $2,641,724. After writing off depreciation charges amounting to $555,650, there remained a balance of $2,086,074 to cover interest of $1,155,743 on the funded debt. In the event that earnings during the balance of the year bear out present prospects, gross income in the 12 months ended November 30, 1933, is likely to be in the neighborhood of $1,200,000 to $1,500,000. This would be enough to cover interest payments, but with little over for depreciation.

There does not appear to be any likelihood of the company being able to show earnings available on the capital stock for at least another year. The preferred stock has been in arrears of dividends since the middle of last year.

Prospects for an increase in building and engineering activity, resulting in an increase in demand for cement, appear uncertain at this time. Endeavors are being made to stimulate the volume of building, but the success of this move will depend largely upon the assistance rendered by the Federal Government.

U. S. SYNDICATE BUYS WHISKIES IN DOMINION

Prices Rising in Recent Weeks as Repeal Date Nears

HIGH TAXES MOOTED

May Be Rush After Dec. 7 to Place Available Supplies Before New Imposts Levied

For ten years the distilled liquor industry of Canada expanded production so far beyond domestic requirements that it was evident the principals expected the United States experiment in prohibition to be a failure. It is probable that by December 7 prohibition will officially end with the requisite 36 states having declared for the repeal of the 18th amendment. That will be the moment long waited for by Canadian distillers and all of them with exportable supplies have canvassed and are canvassing every possible avenue for information as to likely taxes, duties, regulations, prices and opportunities. Moreover, wealthy United States syndicates have been formed to offer large sums for options on supplies now in bond and millions of dollars are available for buying whisky in Canada and in the United Kingdom.

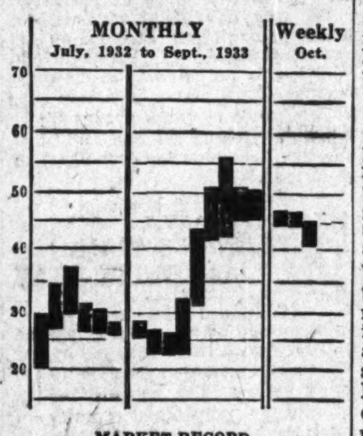
Expect $5 Per Gallon

One purchase of 750,000 proof gallons of whisky by a United States concern from a Montreal distiller, The Financial Post is informed by one of the principals, was made at a price of $3.50. Offers at higher prices are also being made for further supplies on the basis of 50 cents a gallon cash down, with the proviso that the rest will be paid before shipments leave the warehouse. The agreement specifies that warehouse receipts will be purchased on the basis of 100 per cent proof American type spirits. The American syndicate knows that it will have to pay the customs duties and the United States taxes in addition to the amount paid in Canada. That is, the syndicate will pay $6.10 a gallon in taxes besides $3.50 a gallon to the distillers. Since buying the price has

(Continued on page 2, col. 2)

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

20 Industrial Stocks	High	Low
Week of Oct. 17	46.0	41.5
Week of Oct. 10	47.2	44.8
Month of October, 1932	31.4	27.4
10 Public Utilities		
Week of Oct. 17	49	47
Week of Oct. 10	50	49
Month of October, 1932	51	45
8 Bank Stocks		
Week of Oct. 17	176	171
Week of Oct. 10	178	176
Month of October, 1932	182	173

—Drawn for The Financial Post by R. Kaell.

A FAKE PLAY?

In an address in Winnipeg, Prime Minister Bennett stated that the decision in favor of a central bank for Canada was made by the World Economic Conference. The Macmillan Commission, which studied the problem, did not meet until after the conference was over.

U.S. EXPERT URGES TAX ON WHEAT

Canada Advised to Adopt Plan to Curtail Wheat Acreage

From Our Own Correspondent

OTTAWA — Pressure is being brought to bear on the Government to follow the example of the United States and adopt a definite plan for acreage reduction in the West, the Financial Post learns.

Following the world wheat parley in London, Canada agreed to limit both exports and production, but as yet she has taken no steps to implement the latter promise. Opposition by prairie farmers to the enforcement of any acreage reduction plan is believed responsible, and as yet Ottawa has attempted nothing more than to base its hopes for 1934 on propaganda and voluntary action.

Expert Suggests Plan

Seeing this, the agricultural experts in the United States who are responsible for the acreage reduction plan in that country have begun to be worried, and a direct result is said to be the visit to Canada last week of Mordecai Ezekiel, who, as economic adviser to Secretary of Agriculture Wallace and member of Roosevelt's Brain Trust, is one of the key men in the U. S. agricultural picture. Mr. Ezekiel addressed the Canadian Club at Montreal and the Toronto branch of the Canadian Institute of International Affairs. He found time also to visit Ottawa and confer with important government officials.

Roughly the plan which Mr. Ezekiel thinks Canada should follow to achieve acreage reduction is the placing of a tax of, say, five cents on every bushel of wheat grown in Western Canada in 1934. This would provide the Government with a fund from which it

(Continued on page 2, col. 5)

Highlights of the week

Ventures' Assets

Much dross among the gold is seen in an extensive analysis by the mining editor of Ventures' widespread mining investments. And now the company is to pay off its loan from Nipissing, before maturity, by liquidating some holdings, although the reason is not apparent. Page 20.

Wheat Slump

Disastrous decline of wheat analyzed as to causes in a Winnipeg dispatch from our grain correspondent. Page 17.

Sterlingaria

The pound sterling is the British blue eagle, in the eyes of the "man in the street," says Professor Melchior Palyi, well-known European economist, in a special article. Britain piles up its gold stock but has no monetary objective. Page 3.

Shoes Cost More

Prices of leather footwear to the retailer for winter and spring delivery are higher already following increased leather costs. It may not be long before the consumer will be asked to pay more. Page 7.

South America

Signing of a peace pact by leading Latin American nations is good news to Canadian investors whose interests have suffered from armed conflicts as well as from economic depression in our neighboring continent. Page 4.

Food Securities

We must eat (and drink) to live. A six-page survey of the food and dairy industries demonstrates the stability with which this necessity endows their operations and securities of food producers. Pages 11 to 17.

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Chartered Banks Share C.P.R. Guaranteed Loan

Order-in-Council to be Passed Confirming Dominion Guarantee of Principal and Interest on $60,000,000 Five-Year Loan to Railway

From Our Own Correspondent

MONTREAL — An Order-in-Council will be passed within the next few weeks confirming an arrangement already made whereby the Dominion Government guarantees principal and interest on Canadian Pacific Railway short term borrowings reported to aggregate $60,000,000.

By the end of last year the Canadian Pacific had borrowed $30,000,000 on short term notes. These advances were secured by $40,000,000 of 4 per cent consolidated debenture stock. Since then the company has had need of further financial assistance. The state of the money market in the past year has made it impossible for the company to carry out further public financing. In order to provide for current needs and to take care of near term obligations, plans were completed several weeks ago to fully meet the company's financial requirements.

Arrangements made provided for advances reported at $60,000,000, though in some quarters a figure of $50,000,000 is mentioned. Included in this total are the advances made in 1932. This loan (or loans) was arranged through the Bank of Montreal, the company's bankers.

Spread Among Bankers

Owing to the size of the loan, it was considered desirable that the other banks should be asked to lend their financial assistance. This was done. The extent to which the Royal Bank of Canada, Bank of Nova Scotia, Canadian Bank of Commerce and other chartered banks have participated in this loan is not known, though presumably the distribution was made on a basis relating to assets or some other common factor.

Public interest in this financing, affecting the most important privately owned enterprise in the Dominion, centres around the reported fact that the Dominon Government has guaranteed payment of interest and principal on the loans, which mature in 5 years time and carry interest at 5 per cent per annum.

This financing establishes a precedent by government which may come in for considerable discussion when the House reconvenes.

C.P.R. INCOME LIKELY TO GAIN FOR THIS YEAR

Grain Only Soft Spot in Present Traffic Movement

ARRANGE FINANCING

Fixed Charges Higher in 1933—Outlook Stock Earnings Slim — Soo Situation Strengthens

From Our Own Correspondent

MONTREAL.—Canadian Pacific Railway's operating position has been maintained this year and with a strengthening in the movement of grain, operating income for 1933 will be moderately larger than that reported in 1932, according to executive opinion.

The movement of traffic during the first 9 months of 1933 was satisfactory compared with the same period last year. Manufactures, pulpwood, livestock, minerals and other commodities have moved in fair volume. The grain traffic, on the other hand, has been uncertain.

Since the beginning of October reports from the Western area have been more encouraging and a moderate increase in loadings would enable the company to better last year's mark. It will be recalled that at the beginning of October, 1932, expectations were that the grain movement would assume sizable proportions owing to the large crop. Such was not the case and loadings up to the close of navigation were disappointingly small.

Plenty of Grain

This year the crop is lighter, but the heavy carry-over, gives the carriers a substantial volume of grain to handle provided export demand is sufficient to make it move in large quantities. This demand would not have to assume large proportions to enable the company to beat last year's mark, so that officials of the company are hopeful for better returns during October and November.

With a strengthening in the grain traffic, the odds are favorable that the company will increase its operating income over returns for 1932.

Special Income Uncertain

Not much can be said at present in respect to special income. A large proportion of this income is not received till the last quarter of the year and with the outlook uncertain no one wants to hazard a guess as to earnings from special sources.

Special income in 1932 amounted to only $4,537,426, one of the lowest figures reported by the company in many years. The delay in the declaration of the dividend by Consolidated Mining and Smelting Co. of Canada, in which the company holds controlling interest, was the principal factor in the poor showing made by "special income" in 1932. The company will have the benefit, however, of the dividend declared last January. And in the event that Smelters pursues its ordinary policy of declaring a dividend at the end of this year, the special income revenue should shape up fairly well for 1933.

Gain for Eight Months

During the first eight months of 1933 the Canadian Pacific's operating income amounted to $6,968,122. This was $159,329 over that reported for the corresponding months of 1932.

The management's policy of instituting economies in all departments has been largely responsible for this showing, inasmuch as there was a decline of 9.08 per cent in gross revenue during the nine months period. In this connection it is pointed out that operating expenses have been reduced to such a low point that where an increase in gross revenues occurs during the remaining weeks of the year, it can be taken for granted that the gross increase is practically equivalent to a similar increase in net earnings.

$13,000,000 to Go

Net earnings from operations during all of last year amounted to $20.098 984, so that the company will have to earn approximately $13,000.000 in the last quarter to equal the mark. Ordinarily this

(Continued on page 2, col. 5)

Think of It!

Contrast at Ottawa

Two old, highly respected, efficient public officials have been suspended and publicly branded as wrongdoers by the Prime Minister Mr. Bennett, for what at the worst would appear to be a slight error in judgment. On the other hand past experience is strongly in their favor, believing their action was a very good investment for Canada. They are, Mr. Gaboury, the Deputy Postmaster-General, and Mr. Webster, the secretary of the post office department.

Taxation officials were able to trace a small part of the profits on the $700,000,000 taken from Canadian investors by a group of mining promoters and racketeers. A number of their stool pigeons, the brokers, were sent to jail. One of these, Solloway, was found to be indebted for unpaid income taxes of $750,000 due on the profits they were able to fasten on him from the Court records. Hon. Hugh Guthrie, Minister of Justice, let Solloway off with a payment of only $100,000. So far Mr. Bennett has not suspended Mr. Guthrie.

About all that has happened is that Solloway, who is a talkative fellow, was reprimanded by Ottawa for boasting of the settlement, and hence letting out part of the secret arrangements.

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EATON'S MAIN STORE—SIXTH FLOOR.

THE T. EATON Co LIMITED

The Nation's Business

(Continued from page 1)

have been outlined, with a fair degree of agreement upon details as well as upon principles, in the two series of articles on central banking that The Financial Post ran a year ago, in previous editorials in The Financial Post and in the final brief submitted to the Macmillan Commission by the Canadian Bankers' Association. But between the process of improving the system of management of the Finance Act and of currency issue in Canada, and the establishment of a central banking institution, which would be virtually a subsidiary, or at least directly under the influence of the Bank of England, there is a wide gulf. In one case we would be carrying out a measure of self-improvement without losing our financial independence; in the other we would be turning over the dictatorship of our financial life to such men as Montagu Norman and the group of international bankers whose agent he is.

* * *

Montagu Norman's Offensive Address

ONE could hardly imagine a more offensive comment by any public man than that made by Montagu Norman, governor of the Bank of England, in his recent address at the new Lord Mayor's dinner in London.

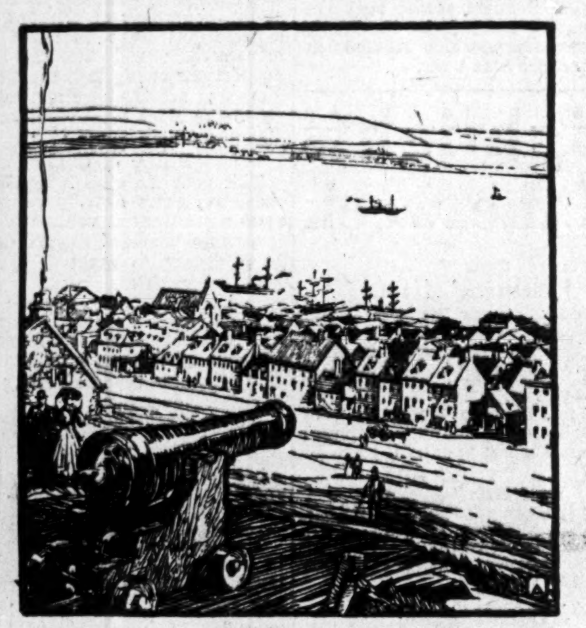
Following a somewhat platitudinous sermon upon the virtue of remembering the old traditions, to the keynote of which no particular objection can be taken, the bank governor concluded by saying:

"We shall have many difficulties, we shall have much criticism, we shall have many disagreements I doubt not at home and abroad, but I console myself with this thought that 'dogs bark but the caravan passes on.'"

* * *

TODAY the established institutions of our capitalist economy have their backs to the wall. They are fighting for their very existence against all sorts of foes who run the gamut from academic theoreticians to plain ordinary trouble-makers. But the foremost intellectuals of the present day join with the acutely distressed, jobless and the insolvent farmers in probing the causes of the world's troubles. Those who have levelled their shafts of criticism at some of the major crimes that have been committed in the name of Capitalism, and who seek to prevent their recurrence include men whose honesty of purpose, sincerity of conviction and soundness of judgment are far more challenging than the deliberate obfuscations of the foxy Mr. Norman.

The British people are beginning to mistrust their bank governor. Some day soon the caravan will pass and leave Mr. Norman behind.



THROUGH MANY YEARS

In historic Halifax, over sixty years ago, seven merchants founded The Royal Bank upon sound and conservative principles. To these principles the Bank has steadfastly adhered. Changing conditions have only established its strength and experience.

THE ROYAL BANK OF CANADA

ROBIN AND JONES REGISTER DEFICIT ON 1932 TRADING

Conditions in Fish Trade Hold Back Recovery of Eastern Firm

From Our Own Correspondent

MONTREAL.—Robin, Jones and Whitman, operating a trading and fishing business in Quebec and the Maritimes since 1776, reports an operating deficit of $77,052 for the year ending March 31, 1933. This is the third consecutive year in which the company has reported a loss.

The poor returns for the past year are attributed by the management to the poor catch of cod fish, which was only about 70 per cent of a normal year, the consequent continued short sale of general merchandise, the inability of the company's customers to pay their accounts and the prevailing low prices for dried fish in the world's markets.

Call on Reserves

In order to take care of the loss last year it was necessary to transfer $70,000 from surplus to current account. Further at the annual meeting in June the shareholders voted to cut down the capital value of the common stock from $100 to $20 a share, the difference being used to write down the value of real estate and plant to their present valuation.

Details of the income account for the past two years follow:

	1933	1932
Operating loss	$77,053	$89,750
Add: Prev. surplus	11,528	1,278
Trans. cap. surp. ...	70,000	100,000
Inc. tax ref.	471	......
Balance forward	$4,946	$11,528

Reduce Current Liabilities

Outstanding among the changes in the balance sheet as at March 31 last was the appearance of bank loans and overdrafts of $63,820. This is the first time in many years that the company has had to have recourse to bank loans. On the other hand, accounts and notes payable have been reduced from $226,561 to $11,681, so that the net change in current liabilities has been favorable to the company.

Funded debt has been reduced from $194,667 to $189,800. Reserve for depreciation has been lowered by more than $25,000 to $24,409. The reserve account has been cut from $150,000 to $80,000.

U. S. SYNDICATE BUYS WHISKIES IN DOMINION

(Continued from page 1)

risen to $4.38 and $5 is expected by the syndicate holding the whisky.

This is probable as The Financial Post has good authority for the statement that Hiram Walker-Gooderham & Worts, which it reported two weeks ago as receiving $15 a case for its stock, is now getting $17 a case, equivalent to about $5.66 a gallon.

Much depends on the age of the whisky and the possibility of "cutting" it from two to 10 times as to the amount paid. So far as present Walker sales are concerned, sales are in cases and intended for consumption. No cutting, The Financial Post is informed, is intended in connection with sales made in this way. The general manager, however, indicated in a New York interview a month ago that rectification would take place at the Peoria plant, and measures will be taken to that end.

Sources of U. S. Whisky

Representation has been made to the United States Treasury that permits be issued for the importation of two million gallons of whisky to break the high cost of medicinal liquors. Most of this would go from Canada, where there are at least 26,000,000 gallons of aged liquor in storage and intended for the United States trade. There are altogether 48,000,000 gallons here with one-third intended for Canadian use. The United States Government is already permitting the manufacture in the United States of 18,000,000 gallons of whisky, six times as much as in 1932. In Kentucky and elsewhere there are supplies of whisky aged more than four years exceeding 3,500,000 gallons (Business Week claims there are 5,000,000 gallons of 17-year-old whisky). While Business Week suggests whisky may sell as low as $2 a quart, certain authorities at Washington state that taxes will be such that prices will be $3 or $4 a quart.

It is understood that Canadian and British distillers have an understanding not to break prices. The British distillers have about 100,000,000 gallons of whisky in store but as most of this is Scotch it does not enter into direct competition with the Canadian rye whisky.

The Canadian distillers' determination to get a price which will pay them for holding for ten years is strengthening prices. Although the British have more than 100,000,000 gallons of whisky, it is stated that consumption in the United Kingdom is 66,000,000 gallons per annum and that they are likely to permit the export of only about 15,000,000 gallons annually for the next four years.

U. S. Needs the Money

The situation for distillers is made somewhat anxious at present because the United States Treasury needs a lot of money. Plans are under way to tax whisky as much as from $4.20 to $6.40 a gallon excise taxes in addition to $5 tariff and any taxes other taxing authorities may levy. Conservative advisers of the United States Government advise moderate taxes so that bootlegging will not be encouraged but the Wall Street Journal states that the high tax advocates have best chance of being heard.

Rush or Hold?

This may result in a strong effort to get as much whisky into the United States between December 7 and the first week in January when Congress meets as possible in order to clear it through customs and get it out of bond by paying present tax of $5 and excise of $1.10 a gallon. The entire available supply in Canada could be moved in a few weeks if this fear grew very prominent. The cue may be taken from whatever action is taken by United States syndicates with options on Canadian supplies. The Canadians would rather not be hurried but they cannot be certain.

In 1922 the Canadian distilled liquor industry products were valued at $3,296,545 and in 1929 $43,752,420 but in 1932 output was down again to $11,349,269. In 1932 there were 21 establishments reporting to Dominion Bureau of Statistics, eight in Quebec, ten in Ontario, one in Manitoba and two in British Columbia. In 1932 there was $52,000,000 invested in the industry in Canada, 1,450 employed and total value of production $11,349,269.

In 1931 the Canadian distillers produced 4,954,123 proof gallons of whiskies and other potable spirits to put in bond for maturing and sold 3,504,421 gallons produced in previous years. In 1932 they produced 1,673,435 to put in bond and bottled or shipped 3,783,337 gallons.

WHITTALL CAN INCOME AHEAD SUBSTANTIALLY

(Continued from page 1)

unfavorable operating results experienced by the canning subsidiaries, Whittall Can passed the dividend on its own preferred stock after July, 1931. Regular quarterly dividends were resumed in July, 1933.

Payment of the preferred dividend on a regular basis is being well covered, but to date the management has not had under consideration the cleaning up of arrears. The present policy will be continued for the time being.

Losses on Affiliates

Last year earnings of Whittall Can amounted to $191,204. This was about $140,000 less than in the 1932 fiscal year, but compared favorably with the average of recent years. While the company's revenue has held up relatively well over the last four years, heavy losses have been experienced in connection with various canning subsidiaries.

In January, 1929, Whittall Can secured control of Associated Quality Canners. In March, 1932, the company took over the Spring Valley Canners. The company also secured control of the Quebec Canners Corp. and other similar enterprises.

Returns Have Been Small

These affiliated companies provided Whittall Can Co. with a valuable outlet for their products. As investments, however, the subsidiaries have not proved overly profitable to date.

Write Down Investments

In the fiscal year 1932, the company wrote down its investment in Associated Quality Canners by $60,488. In the following year the investment in Quebec Canners, amounting to $76,678, was written off, while $389,200 was charged to the profit and loss account, representing the proportion of deficit for 1932 of Associated Quality Canners applicable to shares of that company held by Whittall Can.

Further to the above write-offs, Whittall Can had guaranteed $550,000 of bank loans made by Associated Quality Canners in the 12 months ended February, 1933.

Canners Improve Position

The position of these canning subsidiaries, more particularly that of Associated Quality Canners, has undergone a definite improvement this year. At the end of last year Associated was carrying large inventories. The failure generally of the vegetable and fruit crops has reflected itself in increasing inventory values, thus strengthening the company's financial position.

The canning affiliates have experienced a betterment in other directions. Since last spring there has been a more stabilized market, especially in regard to prices. The short crop has improved the technical position of the market, while increased sales at higher prices have been reported by all the group.

This has enabled Associated Quality Canners to make a substantial reduction in its bank loans and generally to put its finances in healthier shape.

Consider Arrears Later

Whittall Can's position naturally has been benefitted by the improvement recorded by the canning units. The stoppage of losses and improvement of finances are both encouraging. Until the controlled or subsidiary companies have consolidated their position, however, it is to be expected that the parent company will withhold action on the preferred stock dividend arrears, though earnings this year, under other circumstances might justify some action toward eliminating this contingent liability.

Public financing was carried out by Whittall Can in the early part of 1929 when $1,900,000 of preferred stock was offered at par with a bonus of one share of common for each two shares of preferred. In addition to its cumulative dividend feature, the preferred stock is convertible into common shares up to April 1, 1934, on the basis of three shares of common for each share of preferred.

HEAR OTTAWA PLANS TO PLUG ANNUITY LEAK

(Continued from page 1)

rates quoted by a leading Canadian company with those charged by the Federal Government for exactly the same article. The rates show the cost of an immediate annuity of $100, payable annually for life. In the table the Government rates are those as shown in the federal annuity branch manual except that in each case $38 has been subtracted because Government annuities are payable quarterly and line company rates are payable annually.

Comparative Cost of Immediate Annuity of $100 Payable Annually for Life

Age	Federal Rate	New Life Company Rate	Difference
(a) Male Lives			
30	$1,744	$1,937	$193
40	1,548	1,729	181
50	1,296	1,460	164
60	1,003	1,137	134
70	701	799	98
(b) Female Lives			
30	1,770	2,003	233
40	1,595	1,821	226
50	1,386	1,575	189
60	1,119	1,270	151
70	788	935	147

This table shows that for every $1,500 the Government is receiving for immediate annuities, it is getting from $150 to $200 less than life companies must charge to stay in the business. As the average sum received by the Government to purchase immediate annuities is almost $4,000 it is obvious that there is "spread" against taxpayers and in favor of annuitants of between $400 and $500 for every annuity sold.

A few years ago when The Financial Post campaigned against federal activity in this field and succeeded in having the maximum annuity payable by the Government cut from $5,000 to $1,200 annually, this paper estimated that even then the Government was losing about $70 on every $1,000 it received for annuities. The new rates have increased this loss considerably.

It must be remembered, however, in comparing these rates that those issued by the Federal Government show no "loading" for administrative expenses. Ever since the federal annuity branch was inaugurated in 1908 the Government has undertaken to pay the entire cost of running the department and collecting this money from citizens. In the past four years this alone has cost an average of $80,000 annually.

Piling Up Deficits

The raid on the federal treasury that has been going on quietly year after year to make annuity ends meet at Ottawa is nothing short of scandalous in view of the precarious condition of federal finances.

Figures procured from Government blue books show that at least $825,000 has been spent in the last four years to pay the cost of running this branch and to make up for deficits which have been incurred in reserves. Deficits on reserves alone have cost just over $500,000 since 1929 and if the newer mortality tables now being used by Canadian life companies were to be used it is likely that this would soar to several millions of dollars.

A few years ago The Financial Post estimated on the authority of a leading Canadian actuary, that the Government fund at that date was insolvent to the tune of at least $1,500,000. That estimate was made of course, before the new and substantially higher annuity rates were introduced by Canadian companies.

The blue book figures of what Canadian taxpayers have paid in the past few years to support this department is indicated below.

What Federal Annuities Cost Taxpayers

	Deficit* $	Administ'n $	Total $
1932	261,939	75,000	336,929
1931	108,645	105,000	213,645
1930	......	75,000	75,000
1929	132,844	65,000	197,844
	503,428	320,000	823,428

*Being amounts transferred from Consolidated Fund of Canada to maintain reserve at legal level.

Officials at Ottawa decline to state whether a change in rates is contemplated but the answer received by The Financial Post from an official of the department is to the effect that any such change must be authorized by the Governor-in-Council and under the regulations no information can be given in advance as to any contemplated change in rates. No attempt is made, however, to deny that such a change is contemplated.

U. S. A. URGES CANADA ADOPT NRA POLICY

(Continued from page 1)

plained to the United States business leaders that the Dominion Government is powerless to enforce codes or to control prices. This power rests with the provinces. In order to act effectively in a governmental way, therefore, the various provincial governments would have to adopt identical regulations.

The gravity of the situation is realized and in all likelihood the Government will use its best offices to bring the Canadian producers into line.

In a broader sense these representations are accepted at Ottawa as confirmation of the view that the successful application of the N.R.A. involves high tariffs. When prices in the United States have been artificially raised, Washington will scarcely permit foreign producers to undersell.

Where the exporting industries in Canada are well organized it is not considered difficult to obtain a measure of export price control and thus avoid loss of markets. But in other industries, such as agriculture, it is practically impossible for producers to control prices and it is feared this may result in higher tariffs on Canada's exports to the United States.

U. S. EXPERT URGES TAX ON WHEAT

(Continued from page 1)

would pay so much per acre to all farmers who curtailed their acreage during the year. In other words, the tax would fall only on those farmers who failed to cooperate in an acreage reduction plan. It is assumed that for the majority of farmers the tax would never actually be collected, since as they delivered their wheat at country elevator points they would be automatically credited with the amount due them for acreage reduction and the two items in the main would balance one another.

Nothing Decided

With Prime Minister Bennett out of town it is understood that no definite answer was given to Mr. Ezekiel as to what the reaction of the Government would be to such a plan. Unofficially, however, it is understood that Ottawa is prepared to keep an open mind as to whether this or any other acreage reduction plan should be introduced next spring. For one thing the element of time is definitely in favor of Canada since no decision need be made for several months yet and, in the meantime, a clearer picture of how the U. S. plan is faring, and of the wheat picture in general, may be obtained.

In the United States, it will be remembered, a 15 per cent reduction in wheat acreage is being attempted for the present winter crop. The money with which to reimburse farmers who cut acreage is being obtained by means of a processing tax on flour.

Obstacles to U. S. Plan

Two important difficulties which have been encountered to date are: (1) that although about 80 per cent of the wheat farmers have responded to the plan, it is becoming apparent that much of the reduction is only superficial since the total acreage which farmers are claiming to have put into wheat last year is considerably higher than was indicated by previous available figures. In other words, the U. S. may have to pay for a reduction plan only to find that the total acreage for the year is but little lower than that actually sown last year.

The second objection is that the processing tax is causing an apparent sharp decline in flour consumption and it is feared that much "bootlegging" is going on since wheat farmers have the privilege of taking their flour to local mills and having it ground free of tax.

C. P. R. INCOME LIKELY TO GAIN FOR THIS YEAR

(Continued from page 1)

would not any particular problem, but under present conditions the company will have to put forth its best efforts in order to reach that level. Special income, as already mentioned, totalled $4,537,426, giving the company a total net revenue of $24,627,410 to meet fixed charges and other items.

Fixed Charges Heavier

Last year's accounts showed that the Canadian Pacific fixed charges at $23,619,529, or within $1,007,881 of its total net income. The statement for this year will not show any cutting down of these charges; in fact, may be somewhat higher owing to short term borrowings.

As far as can be foreseen at this time, the company is likely to earn sufficient revenue to take care of its fixed charges. Whether or not it will cover the pension fund payment will depend largely upon what arrangements have been made to put the fund in a more solvent position.

Loss on Exchange

A factor militating against increased earnings this year is the exchange situation. A large proportion of the company's fixed charges are payable in the United Kingdom. During 1932 the discount on English funds was more than sufficient to offset the premium paid on the purchase of U. S. funds to meet obligations in New York. It is estimated that the company had a credit balance on these transactions of as much as $1,000,000.

Such will not be the case this year, when United States funds have been consistently selling at a premium (though much smaller than in 1932) while the discount on the English pound sterling has been practically wiped out.

Preferred Prospects Limited

A balance of earnings may be available for the preference shares but little is anticipated unless operating and special income are on a larger basis than is now anticipated. Approximately $5,490,276 is required to meet dividends on this stock, upon which no distribution has been made since October 1, 1932. Dividends on this stock are non-cumulative so that the company has no contingent liability in this respect.

Arrange Current Finances

The finances of the Canadian Pacific for the near future have been provided for through loans from the Canadian banks. This feature is dealt with more fully elsewhere. Briefly the company's short term borrowings of $30,000,000 at the end of last year, together with current borrowings, have been consolidated and arrangements made to have the advances mature in 5 years or earlier in the event that the money market enables the company to carry out financing on a favorable basis.

These advances cover current needs and presumably provide for the redemption of $12,000,000 of 5 per cent collateral trust bonds maturing next April. This issue, together with certain serial equipment trust certificates, are the only capital obligations which the company has to meet until a small issue of Algoma Branch first mortgage bonds fall due in 1937.

Soo Situation Better

Another favorable feature is seen in the strengthening of the position of the Minneapolis, St. Paul and Sault Ste. Marie Railway. This line has long been under the control of the C. P. R. and at different times it obligated itself to undertake certain guarantees of principal and interest on the Soo Line's funded debt.

In the past three years the Soo Line has found it difficult to make ends meet and the Canadian Pacific has been called upon for assistance. During 1932 the C. P. advanced the company $1,400,000. Early this year an agreement was reached whereby the Canadian Pacific would advance the company $5,500,000 in the first six months of 1933. In January an advance of $2,200,000 was made in order to enable the Soo to pay interest on bonds and notes due.

The operating statement of the Soo Line this year indicates that the company has been able to effect a reduction in its net deficit. It is expected that for the time being the Canadian Pacific will not be required to lend any further assistance to the Soo.

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PRICE BROS. PLAN FOR BONDHOLDERS BEING PREPARED

Details Are Many — Outline of Terms Given in Circular

From Our Own Correspondent

MONTREAL.—Price Bros. & Co. bondholders' protective committee have dispatched a communication to the bondholders saying that full details of the reorganization will be forwarded as soon as a mass of details have been cleared away. The committee accepted the plan submitted by the Bowater's Paper Mills, of London, Eng., which among other things provides for taking care of the first mortgage bonds and compensation in lieu of interest arrears, as well as the placing of $5,000,000 of new capital into the business.

The circular letter to bondholders reads as follows:

"Our letter to you of August 3, 1933, referred to negotiations then in progress, as a result of which it was hoped that a plan would be developed which would provide additional working capital for the Price Brothers enterprise and give your bonds the recognition to which they are entitled. Your committee has spent much time in negotiating with two different groups—one group consisting of Duke-Price Power Company, Limited, the Aluminum Company and interests represented by Lord Beaverbrook, and the other group consisting principally of Bowater's Paper Mills, Limited, of London, England.

Efforts of Opposing Group

"The Duke-Price-Aluminum group represented, directly or indirectly, substantial unsecured creditors and shareholders of Price Brothers and Company, Limited, because of which your committee desired that this group should be given every opportunity to propose a plan which your committee could approve and recommend to bondholders. At a meeting of your committee held on September 7, 1933, representatives of this group stated that the proposal which they were making was the best that the group would make and that they had been and were being afforded by the committee every opportunity to work out a reorganization. Subsequently, certain improvements in their proposal were made, but notwithstanding these improvements your committee remained unanimously of the opinion that the proposal required the bondholders to make unwarranted concessions.

"Under these circumstances, the committee resumed negotiations with the Bowater group, and at a meeting of the committee held September 29, 1933, Bowater's Paper Mills, Limited, presented a complete signed proposal. At the same meeting the Duke-Price-Aluminum-Beaverbrook group — to which had been added Lord Rothermere—again presented an outline of a further improved proposal and requested an opportunity to meet with your committee with the idea of renewing negotiations looking to the completion of their proposal. After consideration of the completed Bowater proposal and the outline of the proposal presented by the other group, your committee, for reasons believed by them to be compelling, by unanimous action accepted the Bowater proposal.

Working on Plan

"The Bowater proposal contemplates that, in accordance with the deposit agreement, a plan effectuating the necessary proceedings will be prepared and submitted to bondholders. The plan and other essential documents involve a mass of detail which it will take some time to work out. The work is being pushed as rapidly as possible but it is not yet possible to state definitely just how soon the plan can be submitted to the bondholders.

Outline of Terms

"In the meantime depositing bondholders are advised that among other things the Bowater proposal provides:

"1. That the principal amount of the bonds held by depositors who participate in the plan will remain as at present and in addition such depositors will receive 12 per cent of their present holdings in bonds in lieu of interest on the present bonds due August 1, 1932, February 1 and August 1, 1933, and February 1, 1934, and the security and lien position of the bonds will be preserved.

"2. That $5,000,000 of cash is to be provided in payment for securities which are to be junior to the bonds.

"The details of the proposal affecting the bonds (including the details of the provisions permitting, for a short time, the postponement or partial postponement of cash interest payments if not currently earned) and of all other matters will be set forth in the plan which is to be submitted to the bondholders presently.

"Your committee feels that when the plan based on the Bowater proposal is submitted to bondholders, it will meet with a general favorable response.

"The purpose of this letter is solely to bring this information to the attention of depositors, who are not now asked to take any action."

IN OPEN LETTER ASKS FOR RELIEF MUNICIPAL DEBT

Challenges T. Bradshaw's Advice on Municipal Finances

A plea for relief of municipal debt burdens and against "excessive penalties on tax arrears" has been made by F. A. Watson, of the Wood, Fleming Co., financial and estate agents, Toronto, in an open letter to Thomas Bradshaw, president North American Life Assurance Co. The letter was written in reply to Mr. Bradshaw's suggestions for improved municipal finance which he made in a paper delivered before the Ontario Municipal Association, and which was reproduced in full in The Financial Post. The letter has been sent to officials of the Province of Ontario, City of Toronto and other municipalities, Ontario Municipal Association and Bureau for Municipal Research.

Mr. Watson suggests that Mr. Bradshaw's remarks and advice were more pertinent to 1928 and 1929 than to 1933. Extravagance of municipalities in the boom years was well matched by the bad judgment of investors and financiers in making debt expansion possible, the letter implies. Consequently, Mr. Watson thinks the bondholder is getting more than a fair share of consideration, especially in view of the rise in purchasing power of money.

Summary of Letter

The letter reads, in part:

"There is . . . a war between the creditor class and the debtor class . . . The traditional fear of default is militating against an adjustment between these two classes for their mutual salvation. That such an adjustment will have to be made can surely be questioned by no one alive to the facts. . . .

"The chief cause of distress in regard to taxes is the system of financing heavy local improvements in recent years which has resulted in . . . a tremendous overburden of short-term and high annual cost local improvement debentures. The attempt to levy and collect the high cost over a ridiculously short term and at a high rate of interest can only result . . . in victimization of owners of property . . .

"It would seem that default must occur before the municipality or its taxpayers can obtain any relief.

Says Governments Cowardly

"It is generally felt that both local and provinicial government authority has been passive and cowardly in facing up to this situation.

"It would appear to be incumbent on the provincial Government to provide legislation and make it mandatory—that all municipalities including Toronto refund their local improvement debenture debt by issuing long term bonds bearing interest only, and at a reasonable rate, for, say, the next five years and after that providing for reasonable payments of principal through a sinking fund until the bonds are retired say, in 25 or 30 years . . .

"Another hardship under which ratepayers . . . are laboring is the excessive penalties on tax arrears under authority of the Assessment Act . . .

"I am dismayed at the supine and lethargic attitude displayed toward these large and basic problems, by both municipal and provincial government authority. Would a mere change in the personnel of these bodies assure any relief or action? Probably not. . . . In view of the obvious failure of those in authority to provide remedies it would appear to be incumbent on someone—or an organization of ratepayers—to point the way to alleviation of burdens."

Great Britain Lacks Monetary Policy But Continues to Pile Up Gold Stock

"Dogs Bark While Caravan Passes On" Remarks Montagu Norman When Bank is Criticized

By PROF. MELCHIOR PALYI

To speak of British monetary policy is somewhat misleading. If the word "policy" has in English any definite meaning this meaning is not to be found in the recent and present attitudes of the British monetary authorities. They have, as a matter of fact, no policy whatsoever, either in the sense of a definite driving purpose, or in the sense of a visible choice of means to attain any object.

To begin with, in the course of this year the gold reserve of the Bank of England has grown by about £70,000,000 and has now (early October) arrived at the record figure of over £190,000,000. This, of course, is the "face value" of the gold in the vaults of the Bank taking the pound at a value of 134 shillings per ounce of gold (instead of 82 shillings), the reserve amounts to £315,000,000 or so, to which one has to add the reserves held by the Exchange Equalization Fund. Of the operations of this Fund, which are conducted in great secrecy, little is known except that it has acquired gold and foreign exchange at the expense of substantially more than £175,000,000.

Compared with the total actual note circulation of slightly over £300,000,000, the British gold cover is probably the highest in the world. It amounts to far more than 100 per cent of the circulation and is sufficiently high indeed to defend the pound against speculative "attacks" or a temporary set-back in the balance of payments.

Favorable Trade Balance

Such a set-back is not likely to occur and probably did not occur this summer when the customary unfavorable balance of trade was actually reduced by from ten to twenty million pounds per month. As a matter of fact, instead of an adverse season there was during the summer an almost continuous inflow of capital, especially from America, and even the usually adverse item of tourist traffic certainly was this year less disadvantageous than in most previous years.

The most important element of all in the situation is, however, Great Britain's credit recovery since last December's wild fluctuations on the foreign exchange markets. British credit now looks as strong as ever. Sound budgetary policy, the discipline of the British public, the natural strength of the English position and the mistakes of other countries, have all contributed toward this result. Even with the bank rate at 2 per cent it would have been very easy indeed to keep the exchange rates steady. Great Britain had sufficient means to do so, and she might not have even needed to start using them; a mere decision by a strong central bank being a most important factor on the market.

Two Courses Open

Under these conditions there were two courses open to the Bank of England. It might have made up its mind to either a temporary or an ultimate stabilization of the pound (against gold) or it might have decided that the pound has to follow the dollar either gradually or with a sudden "devaluation."

There was something to be said for both these methods, but especially the first one. Instead, the Bank followed a course different from any which one could possibly have thought out by means of reasoned argument. The pound is not stabilized, not even temporarily; indeed, since May it has depreciated by something like another 16 per cent (i.e. the price of gold rose from about 120 shillings to 134 shillings per ounce.) On the other hand, however, the pound was not supposed to depreciate and the Bank of England certainly did not want it to. It actually tried to check the depreciation by occasional interventions on the market. But the interventions were stopped whenever the market ignored them, and the Treasury had to take the loss for these superfluous operations.

German Precedent

Incidentally, the situation was, in this respect, similar in Germany when in June, 1921, after the murder of Rathenau, the Reichsbank tried to check the furious jumps of the dollar. Director Kaufman of the Reichsbank used to go at 11 o'clock to the market and sell out gold or foreign exchange; returning at 1 o'clock he could report satisfactory results. But, of course, at 2 o'clock the exchange rates again dashed frivolously upwards.

The most curious aspect of all this is the strange philosophy developed by the Treasury and the Bank of England. The Governor, on his return from America, publicly declared his "dissociation" from responsibility for his country's monetary policy. Perhaps he is just as little responsible now as he was two years ago when on a certain Thursday in all the cinemas of Great Britain a director of the Bank of England, is the course of the weekly "Topical Budget" told the public what a disaster it would mean to leave the gold standard; which was left just three days later. Has one ever heard of a commander-in-chief who, in a war, "dissociates" himself from the leadership of the army, nevertheless retaining his job? Mr. Norman's attitude would be amusing were it not so serious.

Another curious fact is the apparent acquiescence of the British public. No criticism seems to arise from any quarter, orthodox or inflationist; nobody seems even to query the proprietary or the ultimate meaning of the new "devaluation". Even the little criticism there is, is dismissed contemptuously by the otherwise silent Montagu Norman in about ten words, quoting that "the dogs bark when the caravan passes on." So far as explanations of the "policy" are forthcoming at all, they either refer to the aim of raising prices and reviving trade or to the desire to "force" France off the gold standard. The price-raising point was emphasized by the Chancellor of the Exchequer as early as June. As a matter of fact, a price-raising policy is least needed at a time when prices are rising anyway, as was the case this summer; and they rose in the gold countries as well. Curiously enough, it is rarely realized that France is the country which does most and succeeds "best" — don't ask to whose advantage! — to keep the internal price level substantially over the above the external one.

Early Return to Gold?

Perhaps a recent declaration of the Chancellor gives the key to the secret. It was in favor of an ultimate return to the gold standard but only when the factors disturbing the international working of the standard would be overcome. Is it not putting the cart before the horse if one forgets that the fluctuations in the foreign exchange rates are one of the most important factors which disturb the functioning of an international standard?

In the meantime, the Chancellor relies upon the current trade revival, moderate as it is, which also impresses the average Englishman and restores his confidence in the currency. The man in the street more or less ignores the fact that the countries with stable exchange rates profit as well, especially Belgium, to some extent Holland and Italy, too, while some of the inflationists, like the Scandinavians, are not as happy as they might be. He usually ignores how much the revival in England has to do with the growth of gold reserves and bank deposits; the latter grew by about £250,000,000 within a year. He ignores the fact that the tremendously detrimental gold-hoarding, which in the first half of this year internationally swallowed over £100,000,000 (at par) — more than double of the total gold production during the same period!—gets its daily fresh impulse not only from American quarters. He does not know and he is not told that the fluctuations in foreign exchange rates distract part of the stream of the national income from the producer and merchant, to the foreign and stock exchange broker, and ultimately reduce production.

All he knows is that things are going a little better. The fluctuations are not strong enough to make for a very substantial change; so far, they just allow for minor booms which do not hurt conservative feelings. The pound sterling, ironical as this statement sounds, has become, for the average Englishman, the symbol of this national strength and self-sufficiency. It is—so he thinks and so the Government tells him—not "linked" to anything and to anybody. It is the British Blue Eagle, England's symbol of the fight against depression, the emblem of economic victory. With this significant difference, however; that the American Blue Eagle has a definite meaning, as the symbol of a programme which might be good or bad'— while on this side the belief is just as strong without any definite programme behind or before it.

*Prof. Palyi is an eminent European economist, formerly adviser to the Deutscher Bank, now established in London.

The Tide of Things

A Department of Independent Comment on Society and Politics

By WILLIAM HENRY MOORE

The Common Denominator in B. C.

VANCOUVER. — A visitor of three days standing cannot accurately describe the political situation in British Columbia. On the eve of a general election even native sons are scratching politically sagacious heads in despair. They say they know what has happened but cannot find words to explain it. Provincial pride is not without a measure of satisfaction. British Columbia has broken all political records.

The unusual began to happen some months ago when the Conservative administration at Victoria began to disintegrate. When the official nominations were announced on the morning of Friday the 13th only four candidates had described themselves as Conservative and only 21 were regarded as friendly to the Government. There are 47 seats in the provincial legislature. These figures are far from illustrating a dearth of political ambition in British Columbia. For the 47 seats there are 222 candidates or an average of 4.7 candidates for each seat.

* * *

THE Liberals, under Duff Pattullo's leadership have held their organization fairly intact and are contesting the 47 seats. But even the Liberals are not quite united There are two candidates who describe themselves as "Independent Liberals," while several former Liberals, including an ex-M.P. are running with other groups.

The C. C. F. is contesting 46 of the 47 seats. That feat is regarded as a triumph in organization since the party is only a few months old. But here again lies surprise. The newly born C. C. F. has already developed insurgents and ten candidates describe themselves as "Independent C. C. F." while four candidates describe themselves as Socialists and 18 as United Front.

THE Liberals, under Duff Pattullo's leadership have held their cial significance. It is not due solely to the deficiencies of the Tolmie administration. Nearly everyone holds Dr. Tolmie in high personal regard. And that was to be expected. As Minister of Agriculture under the Meighen administration at Ottawa, Dr. Tolmie won the respect of Canadian farmers, particularly of livestock breeders. If a politician should be a "mixer" then Dr. Tolmie was a good politician; if a statesman be an unpopular politician it would appear that Dr. Tolmie has become a statesman. The old-timer is right, it is hard to find words to describe the political situation in British Columbia.

* * *

OF COURSE Canadian interest lies not in the fortunes of men or parties but in the trend of thought, and here, despite the varied alignments, there is singular unanimity of thought. The several parties and groups are apparently of one mind that the province should have an infusion of "new credit" and look to Ottawa as the source from which it is to come. Apparently credit is regarded as something that springs from an inexhaustible well, or perhaps better, is to be made by establishing a national bank and operating a printing press over-time. These views are advocated, and may be believed, by men of standing in the community. When one points out the present heavy obligations of federal, provincial and municipal authorities some of them shrug their shoulders and dismiss the subject as "old stuff that had better be forgotten." They may not express popular opinion, but popular opinion is not to be gained by a three days visit. The outcome remains to be seen. It is generally conceded the C. C. F. will poll a large vote. The Liberals expect to win.

Business Briefs Show Situation In Many Lands

It is generally considered that improvement in Canada's export markets is necessary before the upturn in Canadian business can be carried much farther than at present. The following summary of conditions in principal world countries by the United States Department of Commerce, is therefore, of special interest.

The upturn of **United Kingdom** business continues, with retail sales and metallurgy particularly encouraging.

Progress recorded earlier this year in **Italy** is maintained, but summer dullness still prevails in many lines.

Yugoslav export trade has risen, and the balance has become favorable.

Greek Government revenues during July considerably exceeded last year's same month.

The favorable balance of **Egyptian** foreign trade was further strengthened during July.

Cod and herring catches of **Iceland** have been larger than in 1932.

The foreign trade balance of **Hungary**, which was adverse last year, is now favorable.

Seasonal stimulation of buying is reported from Canada, and employment has gained.

Japanese exports of rayon fabrics are larger than for last year.

Chinese imports for eight months show a considerable decline from the same period of 1932.

British Malayan business sentiment has been strengthened by maintenance of higher rubber and tin prices.

Importation into **Netherland India** has been stimulated by anticipation of tariff increases.

Philippine sugar interests are encouraged over prospects of larger exports to the United States.

The usual seasonal decline in **Australian** business has not materialized.

The gradual upswing of **Colombian** business continued through September.

The fourth of a series of advertisements re-stating the basic principles which guide our trust work.

OUR THREE-FOLD Duty

Fidelity to TRUST

—To the Maker of a Trust
—To the Beneficiaries.
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The function of a trustee is to hold possession and legal title to property for the enjoyment and benefit of another. It is doubtful if any other business relationship carries more responsibility.

In our capacity as trustee, our first duty has always been to the maker of the trust in carrying out his wishes. Of equal importance is our duty to administer the trust solely in the interest of all the beneficiaries. We do not permit the intrusion of a third party or outside interests—to conflict with the interests of the beneficiaries under the trust.

We keep accurate and separate accounts of every trust. We inform beneficiaries on all important points. We exercise constantly the prudent care required in administering the property of others. We adhere to the rule that, as trustee, our duty is the care, conservation and management of property. It is a fundamental principle by tradition and practice that we do not have any personal or financial interest, direct or indirect, in the trust investments sold or bought for our trust accounts.

In every trust we have a duty to ourselves. That duty is to serve in such a way that it will fulfill our responsibility to the maker of the trust, and to every beneficiary. This we must always do to safeguard our reputation and established standing as a sound, conservative, trust institution. We have too much at stake to jeopardize that reputation.

Crown Trust Company

William I. Gear, *President* — John Jenkins, *Vice-President*
Arthur Lyman, *Vice-President* — Irving P. Rexford, *Gen. Manager*

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This finish has been developed to meet the special conditions encountered in laundries, bakeries, the dye and starching rooms in textile mills, etc. It is impervious to the fumes of sulphur, chloride, ammonia and tobacco.

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Painting with SAVE-LITE has improved lighting conditions in plant interiors as much as 70%.

The addition of 1/2 to 3/4 hours extra daylight to the working day materially cuts down lighting costs. Better and more evenly diffused light raises the standard of work and eliminates a common cause of accidents.

A SAVE-LITE finish is a long-term investment. It is far more durable than any ordinary mill whites and retains its original brilliant whiteness throughout the life of the paint.

The hard, tile-like surface can be washed down time and time again without injury. It resists the severest conditions of heat, steam and moisture-laden air.

Remarkable hiding and spreading capacity enables you to save on the cost of material when you use SAVE-LITE.

Write us for free copy of valuable engineering booklet on lighting values.

THE SHERWIN-WILLIAMS CO. of Canada, Limited
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Paint with Save-Lite for light, sanitation and surface preservation

Utilities and Transportation

PEACE PACTS IN AMERICAS WELCOMED

6 Power Anti-War Agreement Big Step Toward Recovery

AIDS INVESTORS

Makes Possible Measures to Stabilize Exchange and Restore Trade—Burning $200,000,000 Coffee

Canadian owners of South American Government bonds and of stocks of such companies as Brazilian Traction Light & Power Co., Imperial Oil, Ltd., International Petroleum Co., International Power Co., Mexican Tramways Co., and Mexican Light & Power Co., should regard the recent accord of Mexico and South American countries as a distinct advance toward a condition where the investment value of their securities may recover. The peace pact signed at Rio Janeiro, Brazil, by Argentina, Brazil, Chile, Paraguay, Mexico, Uruguay (and likely to be signed later by Peru, Bolivia and other South American countries as well) is along the lines of the Briand-Kellogg pact and pledges all participants not to recognize territorial acquisitions gained by war.

Coming from a continent much disturbed in the last few years by wars and threats of war, news of such an accord being secured by the constructive statesmanship of South Americans themselves is not only an inspiration but must help to allay many misgivings as to the future of securities bought some years ago in a full tide of optimism as to the future of South America.

Cleaning Up a Continent

Internal discords as well as wars can, of course, be very harmful to companies and their shareholders as shown plainly by the struggles of Mexico Tramways and Mexican Light & Power Co. to maintain solvency under difficult conditions. Revolutions in Peru and a revolution and rebellion in Brazil, a war between Colombia and Peru, and troubles in Chile have unsettled the minds of investors to a tremendous degree but accords like this and apparently reliable advices of better political conditions internally in these countries, will go a long way to restore hope as to past investments. Many investors on this Continent have been so soured by losses on South American investments in the last decade that they were confident they would never buy more of them. If those investments prove good after all, the psychology will change. There is growing evidence that in country after country South Americans are themselves finding sane ways to recovery and if they can by pacts such as this establish peace over the whole continent it will be a step of immeasurable importance.

$200,000,000 to Burn

Of course, a peace pact is only a step toward recovery. The fluctuating exchanges of these countries must be stabilized along with currencies of other nations before investments internationally held can become of real value again. Yet strong efforts are being made along these lines as well. In Brazil, for example, the government since July, 1931, has destroyed by burning or dumping in the ocean 23,107,000 bags of inferior grades of coffee worth $200,000,000 obtained through the operation of an export tax on coffee. Last year world consumption was 22,850,234 bags so that the destruction has exceeded the total coffee the world has hitherto been able to use in one year. In the three months ended September 30, 1933, alone, 4,782,000 bags of coffee were destroyed.

The logical Latin minds of Brazilian statesmen reasoned thus: first, our troubles are enhanced by the fact that the milreis has lost part of its purchasing power abroad; second, that is because our chief crop, coffee, has fallen tremendously in value in world markets; third, that follows the overproduction of coffee in Brazil and elsewhere which piled up stores far exceeding world's needs; and fourth, if those surplus stores are destroyed then coffee will be worth more, we will establish larger balances abroad to pay interest and dividends, Brazil will once more attract capitalists and investors as a suitable place to invest money in, prosperity will be here again.

Brazil Approaches Goal

Brazil is rapidly approaching her goal. When the warehouse stores in Brazil in September, 1931, stood at 27,999,000 bags and again in September, 1932, when they stood at 25,048,000 bags, this burning programme appeared to be chimerical. But now reports state that stores are only 15,500,000 bags and 1934 may bring about a considerable change.

Colombia Frees Exchange

Colombia attracts attention as well because exchange control is being abandoned. The outside unofficial market for the peso has been 50 per cent under the government rate. Country-wide demand from coffee producers and exporters is leading the government to declare for a free exchange market. There may be wide fluctuations but exporters hope to get a market for coffee and other products as a result. It may possibly make more difficult service on Colombian bonds but that has to be demonstrated.

The Peruvian internal situation is reported to have been improved politically as well.

As exporters with a sure market International Petroleum Co. in Peru and its subsidiary, Tropical Oil Co. in Colombia, have been more or less independent of exchange restrictions in these countries but their shareholders will feel better as peaceful conditions and political accord become more prominent. Shareholders in Imperial Oil Co. have almost as strong an interest because International Petroleum provides 60 per cent of Imperial Oil's dividend.

Other companies to benefit, whenever all the conditions necessary to currency stabilization exist, include International Power with its various South American subsidiaries, Massey-Harris which has sold in the Argentine, and International Proprietaries with flourishing business in various South American countries. Aluminium, Ltd. drawing from the bauxite deposits of British Guiana, has been somewhat free from concern so far as the difficulties mentioned are concerned.

SOUTHERN CANADA AREA HOLDING OWN

Industrial Operations Are Maintained, Say Company

From Our Own Correspondent

MONTREAL. — Industrial activity in the Southern Canada Power Co's territory was well maintained during the past quarter. The diversified character of the many industries located in the territory has been a factor of importance in keeping business conditions at a comparatively high level.

In a letter dispatched to the shareholders, the company outlines business conditions in the territory. It reads as follows:

Celanese Plant Active

"At Drummondville, Canadian Celanese continues to expand and is unable to fill its present volume of business. They are building additional capacity in the boiler house and installing machinery to increase their present production 25 per cent. Important developments in expansion of the company's business and products are anticipated.

"At Actonvale, Silk Industries of Canada, manufacturers of broadsilk, have completed the installation of new machinery and are actually operating at full capacity.

"At Granby, the Nordic Hosiery Co., manufacturers of full fashioned silk hosiery have rented additional space in another building with the object of increasing their operations. The Stedfast Rubber Co., manufacturers of shoe linings and similar material have also taken additional floor space to extend the scope of their activities.

"At Waterloo, the Mack Molding Co., manufacturers of molded bakelite products is now in production.

"At St. Hyacinthe, the Yamaska Garments, manufacturers of men's working clothes have leased space in the Ames Holden building to take care of increasing business.

"Prospects for securing new industries are excellent and negotiations are under way with that object in view.

"The improvement that has prevailed in business conditions has been reflected in our merchandise sales and it is encouraging to be able to report that our sales for this quarter show a fair increase over those of the corresponding quarter last year.

"Considerable work has been carried out in Marieville in connection with improvements to the distributing system. In Lennoxville, many changes have been effected, the results of which will substantially improve service in this section. The area served by the St. Johns substation is being converted to 4,000-volt operation, a feature which will increase the capacity of both St. Johns and Iberville feeder systems. This work is being performed without causing inconveniences to customers as it is taking place during the present light load conditions. Of good augury are the noteworthy increases in the number of small individual extensions. The many storms of unusual severity which visited company districts this summer resulted in increasing our maintenance costs. It is interesting to note that those sections in which present day standards of line construction prevailed were the least affected by the various storms. Sound, solid construction is thus fully justified and is not as expensive in the long run as it entails a lesser degree of maintenance work in addition to improving service."

Source of Silver

About 43 per cent of the total Canadian silver output is derived from ores in which silver is the metal of chief value, the remaining 57 per cent being by-product silver, of which 36 per cent is from lead and zinc ores, 18 per cent from copper ores, and less than three per cent from straight gold ores.

MINE ACTIVITY AIDS CANADA NORTHERN

Extension of Operations Calls for Greater Use of Power

From Our Own Correspondent

MONTREAL. — Sustained increase in the price of gold, which has been particularly marked since the United States went off the gold standard, has stimulated interest in Northern Ontario mining operations with a consequent increase in sales of Canada Northern Power Corp., according to the quarterly letter sent out to the shareholders by the management. In all areas served by the company new properties are being opened up or mining has been resumed on claims that had been allowed to lie idle.

In the Kirkland Lake Camp, the shareholders' communication reads "the mill at Macassa Mines has been completed and is expected to be in operation during the present month. This will increase the amount of power utilized by this company, while a transmission line has been built to connect the working on the property of Canadian Kirkland Mines with the company's system.

Add to Proven Area

"These properties are located at the westerly end of the camp and the extension of productive operations in this direction adds nearly a mile to the length of the proven area in Kirkland Lake.

"In Northern Quebec a life-of-mine contract has been entered into with Arntfield Gold Mines, Limited, and power is now being supplied to the property of that company.

"Operations are also being resumed at the Aldermac Mines.

"In the Porcupine district arrangements to resume operations by Paymaster Consolidated Mines, Limited, have been effected, which will add this company to our active customers.

"The pulp mill operated by your company, located between Haileybury and New Liskeard, has been reopened and is now working at capacity."

Internat. Utilities Defers Dividend on $1.75 Preferred

International Utilities Corp. will not pay the usual quarterly dividend on the $1.75 preferred stock, series of 1931, normally due on October 16. The regular dividend has been declared on the $7 prior preferred and the $3.50 prior preferred stocks payable November 1 to shareholders of record October 16.

Dividends on the $1.75 preferred stock were paid regularly from October 15, 1931, up to the last payment made on July 15, 1933.

Referring to the passing of the quarterly dividend on the $1.75 preferred stock, P. M. Chandler, president of the company, stated:

"The two principal investments of the corporation in the public utility field are represented by its control of General Water, Gas & Electric Co. and Dominion Gas & Electric Co. The first of these companies is the result of a drastic and successful reorganization which was recently completed, and the second of these companies has just completed a readjustment of its capital structure. In both of these cases the directors feel that the interests of International Utilities Corp. have been greatly enhanced by these two achievements. These two subsidiary companies, however, were left with certain obligations which it was intended should be taken care of by the sale of capital securities. Present chaotic conditions in the financial market make it impossible to dispose of capital securities even at the cost of unwarranted sacrifices.

"The board, therefore, feels that the interests of this corporation require it to keep its cash position and that of its subsidiaries in the strongest possible position until some better judgment as to the trend of conditions can be determined.

"The dividend on the $1.75 pref. stock, series 1931, is cumulative. The directors believe that the consolidated earnings of the corporation and its subsidiaries, in the absence of unforeseen conditions, will permit of the resumption of dividends when the general situation above referred to has been cured."

Jamaica Public Service August Earnings Lower

From Our Own Correspondent

MONTREAL.—Jamaica Public Service reports a consolidated income of $60,833 for August last compared with $61,748 for the same month in 1932. Expenses, interest and taxes were higher this year, so that the balance of earnings available for dividends during the month amounted to only $13,287 compared with $16,006 for the August, 1932.

During the 12 months ended August 31, 1933, the company had a gross income of $794,088, an increase of a few dollars over the preceding year. Senior charges were somewhat lower leaving a balance available for dividends of $215,454 or $8,369 more than in the previous twelve months.

Commercial Alcohols Propose Stock Increase

From Our Own Correspondent

MONTREAL. — Shareholders of Commercial Alcohols Ltd. are meeting this week to vote upon a proposal to subdivide the common stock from 30,000 shares to 150,000 shares of par value.

At present the company has authorized and outstanding $125,000 of first mortgage bonds and $250,000 of preferred shares. Of the common shares authorized, amounting to 30,000 shares, 10,000 are reserved under the conversion privileges attaching to the bonds.

In the event of the motion being approved, the present common stock would be divided on the basis of 5 new shares for each old share, while suitable adjustments would have to be made in connection with the common shares reserved for the bonds.

Montreal Finance Corp. Amend Rights on Preferred

From Our Own Correspondent

MONTREAL — Supplementary letters patent have been issued to Montreal Finance Corp., by the Quebec Government confirming a compromise reached by the company with the preferred shareholders.

Under the plan the cumulative dividends on the preferred shares are wiped out, while the fixed dividend on the stock is changed from 8 per cent to 6 per cent effective from the beginning of the year.

After the payment of regular dividends on the preferred shares, any further distribution is made on the following basis; an additional dividend of 50 cents a share for a one year period on the preferred stock; and, secondly, any surplus then remaining available for dividends is to be divided in the proportion of 60 per cent to the holders of the no par value common stock and the balance to the holders of the preferred stock.

Attractive Income
Adequate Security

WITH the world-wide tendency towards lower money rates, the present is an opportune time to acquire Provincial Government Bonds, which may currently be purchased at prices to yield an interest return of from 4.50% to 5.75%.

We Invite Enquiries

NESBITT, THOMSON and Company Limited

355 St. James Street West, Montreal

Branches in all the principal cities of Canada

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Investment Notes

Significant Investors' Index Numbers

1926 = 100

No. of Securities:	Iron and steel 19	Pulp and paper 8	Milling 5	Oils 4	Textiles and clothing 9	Food and allied products 19	Beverages 8	Total industrials 93	Total utilities 19	Total co's 118
1929-32:*										
High	383.8	118.2	267.4	416.8	110.1	193.8	201.4	311.0	163.6	235.4
Low	36.8	1.4	34.9	78.3	24.0	66.5	27.8	44.0	30.5	39.6
Monthly Figures, 1933:										
January ..	49.5	3.3	41.1	93.6	36.8	82.9	34.0	59.6	44.6	50.8
February ..	[illegible]	3.6	39.7	86.5	33.6	80.2	31.6	56.3	38.6	46.6
March	44.8	2.3	37.8	86.7	32.2	78.6	36.0	57.3	38.2	46.6
April	48.6	2.7	44.3	98.1	31.2	85.8	37.8	67.5	38.5	52.0
May	65.5	3.8	60.9	122.4	45.7	105.1	63.2	85.8	47.2	64.7
June	83.0	6.4	70.3	141.6	55.2	118.2	106.4	103.6	53.8	76.1
July	98.1	8.4	79.1	156.6	60.0	139.1	164.3	118.3	58.5	85.0
August ...	91.2	7.6	76.4	147.6	59.1	126.8	152.1	118.3	53.9	80.3
September ..	84.8	7.3	73.0	150.4	61.6	121.0	159.4	115.1	50.7	80.2
Weekly Figures:										
October 5 ..	71.2	.9	61.8	130.6	47.5	103.6	145.2	96.5	42.0	69.2
October 12 .	70.6	.8	61.8	126.6	46.9	103.2	148.2	95.2	41.4	68.4

*High and low of 1929 and 1932 are based on weekly figures. In 1933 index numbers are given monthly for first nine months and then weekly. Compiled from figures issued by Dominion Bureau of Statistics. See also Stock Market Indicator on page one.

Can. Bakeries Reserves Go

IN THE necessarily brief survey of Canadian Bakeries' annual statement received just before going to press last week it was probably not made apparent that in 1932 the entire bond sinking fund reserve of $61,500 was transferred to profit and loss in order to get a surplus of $10,260, and this year the entire reserve for sinking fund of first preferred stock of $50,000 was likewise transferred to prevent the deficit of $28,396 being shown as $50,000 greater.

Assets Appraised

In the report to shareholders by C. W. Band, president, it is stated that net liquid assets of the company are sufficient for its requirements. The company's assets were appraised during the year by the Canadian Appraisal Co., and it was shown that appraisal value of fixed assets was in excess of net book value on the company's statement. Business conditions were more difficult than in the preceding year, the president said, and operating costs showed only a slight reduction in spite of careful control of operating costs.

Working capital was down but ratio of current assets to current liabilities higher. Cash dropped from $106,284 to $76,007, Dominion of Canada bonds at cost went up from $20,050 to $50,710, accounts receivable from $160,843 to $131,252 and inventories from $80,007 to $67,340.

Working Capital
(Years Ended August 31)

	1933 $	1932 $
Current assets	325,309	367,184
Current liabilities	67,072	84,781
Work. capital	258,237	282,403
Ratio	4.85—1	4.33—1

* * *

Lake of the Woods Clears Slate

LAKE OF THE WOODS joins those companies who are trying to make their financial statements mean something. The sale of the company's issued 150,000 shares of preferred and 147,689 shares of no par value common stocks netted the treasury $7,134,450, of which $5,634,450 was received for the junior shares. With $2,680,670 of capital lost or unrepresented by available assets now, directors ask shareholders' consent to reduce the capital of the company accordingly, and to reduce the book value of the common stock by a like amount.

No particulars are given by the company as to the items going to make up the lost capital. Presumably one of the major items is the Inter City Western Bakeries. This subsidiary was formed not long ago to take over a number of the parent company's bakeries in Western Canada. Lately it was forced to default upon interest payments. A bondholders' protective committee is now investigating affairs of Inter City Western Bakery and the expected reorganization may wipe out a large share of the junior equity put up by Lake of the Woods.

Lake of the Woods also has substantial investments in Eastern bakeries, as well as in various other enterprises associated with the milling business. Inter City Baking, subsidiary controlling the Eastern bakeries, has been able to hold its own though Lake of the Woods has not received any return on its investment in this enterprise for some time. No details are available as to the soundness of other investments.

* * *

Milk Products Prices Drop

THOUGH drought conditions in 1933 with its effect on pasturage have somewhat affected the milk supply for Ontario cities, dairy companies report there has been no difficulty in supplying the principal cities of Ontario and that there is still a surplus of milk available for domestic consumption.

The difficulty of dealing with this surplus milk and marketing it against increasing competition, has brought lower prices to farmers and consumers. Canning, condensing and evaporating have gone on but companies will not take the chance unless they buy cheaply. One important company reduced its price from $1 per cwt. to 90c. Farmers naturally are feeling unhappy about the reduction while the manufacturers state the product is very limited in its sale. They claim that it is doubtful if any of the companies producing evaporated or condensed milk or milk powders are finding conditions easy at present. Prices for the product have gone down so much that one Ontario company reports that in one month of 1933 when sales doubled the gross earnings were practically the same as for the corresponding month of 1932.

There is a tendency in the trade to trace back this drop in price to the Carnation Company which cut the price 50 cents a case to get rid of enormous stocks. It is understood that the sales increase which was expected from this cut was not nearly so great as expected.

Carnation Milk Company's financial statement for 1932 showed a loss of something over $600,000. The year before they showed a profit of $1,400,000 or a difference of $2,000,000 on their year's operations. Apparently, at the end of its last financial year the company found itself loaded with very heavy inventories and in order to stimulate sales this stock was written down and thrown on the market. It is reported that the company for quite a time in 1933 skimmed milk products and made butter of its cream, letting the skimmed milk go down the sewer. That may have meant a further heavy loss.

* * *

May Have Canadian Code

IF THE NRA code is adopted by the moving picture industry in the United States it is predicted that there will be a voluntary meeting of representatives of every element in the industry to adopt a similar code in Canada. Proponents of this idea state that the United States code will be carefully studied with the idea of adopting whatever will be advantageous in Canada and rejecting clauses not likely to work here.

A strong move is developing against the double feature programme. In Montreal there are only two theatres which do not run two features and doubt is growing as to the advisability of giving the public so much entertainment. Some showmen claim that the public is better pleased with one good feature and a number of short features. The weekly drawing contests for silverware donated by local businessmen are also coming in for criticism and an effort will be made to get agreement generally to abandon them.

* * *

Barcelona Free of Tramways

BARCELONA TRACTION L. & P. CO. is interested only in the Barcelona Municipal Council's granting of a 20-year concession for a system of omnibus lines only in so far as it may affect its delivery of power to the Tramways de Barcelone. At one time Barcelona Traction held 40 per cent of the outstanding shares of the tramway company but it sold out in 1924 its 60,000 shares and its guarantees were cancelled. One of Barcelona's subsidiaries did enter into a contract with the tramways company to supply power at a higher rate and this is the only interest that remains.

HONEY DEW HAD BETTER PROFIT DURING SUMMER

Volume of Sales is Well Under That of 1932; Rents Lower

While total sales of Honey Dew Ltd. so far in 1933 have been under sales in the corresponding period of 1932 operating position of the company has been improved, according to Howard L. Walker, general manager of the company, in a letter forwarded to shareholders. A substantial savings has been effected in rentals although this portion of the company's overhead is still out of line and is subject to further adjustment. Leases of the company's subsidiary, Honey Dew Western Ltd., have been reduced by over $14,000 per year which enables that company to start repaying its debt to the parent company. Advances to this subsidiary by Honey Dew Ltd. totalled $61,746 at December 31, 1932.

In the first quarter of 1933, sales of Honey Dew Ltd. were $192,553 as compared with $226,791 in the same quarter of 1932. In the second quarter of 1933, sales were $246,012 as against $287,982 in 1932. July, 1933, sales were within $732 of July, 1932, sales. In the first quarter of 1933 the company had a loss of $30,577 after providing $15,281 for depreciation. In the second quarter of 1933, loss was $53 after depreciation reserve of $14,023. Net profit in July was $3,885 greater than in July, 1932.

Beverage Sales Higher

Sales of the company's beverage, "Honey Dew" are stated to show substantial increase over 1932 figures which would indicate that loss in volume of sales is due to the food end of the business. Mr. Walker states that he is convinced that the company is doing more than its share of the business in food items.

Stores in the United States are stated to have been self-sustaining since January 1, 1932, and to have shown a fair operating profit during July and August of this year. Agencies for "Honey Dew" established in 17 Ontario cities and towns are reported to have produced a satisfactory volume of business and an important field has yet to be developed in this manner.

The annual meeting of the company for the year ended December 31, 1932, will be held in the near future. This meeting has been postponed because of the illness of the president.

Canadian Cottons Mill at Gibson on Full Time

From Our Own Correspondent

MONTREAL.—Maintenance of favorable conditions in the textile industry is seen in the receipt of substantial orders by the Gibson mills of Canadian Cottons for delivery in October and November. The mill is now working on about capacity basis and the management state that if things continue as they are, a good run for the winter seems assured.

Port Royal Pulp Co. Increase Wage Rate

From Our Own Correspondent

MONTREAL. — Port Royal Pulp and Paper Co., at Fairville, N.B., has increased the wages of its 230 employees by 10 per cent. effective from October 15. The mill is now operating continually in three eight-hour shifts.

This company came into being a short time ago to take over the property of the old Nashwaak Pulp and Paper Co., which had been inoperative for more than a year. Not long after the new owners took over, the pulp market underwent a marked improvement, both in respect to demand and price, so that Port Royal Pulp has been established on a paying basis.

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News of Investment Markets

LOAN CLOSED; OFFER BONDS AT DISCOUNT

Bond Market Weakens on European News — Issue Allotted

DOM'N REVENUE UP

Cash Subscribers Get Only 60 Per Cent of Total Applications — Small Buyer Preferred

From Our Own Correspondent

OTTAWA.—"It is just a little too early to give that information," was the reply of W. C. Clark, Deputy Minister of Finance, to The Financial Post's query as to what amounts are to be issued in each maturity of the National Loan. Mr. Clark explained that this decision will not be made until late this week, when all the returns have been carefully checked. The results of the check up may alter present plans.

With total applications of $256,000,000, according to official announcement, the Dominion conversion loan of $225,000,000 was fully subscribed and allotments to cash subscribers completed early this week. Cash subscriptions will be filled to only about 60 per cent of the total applications. Just as the loan closed, the Dominion's revenue figures for September were released showing some improvement.

Those who were unable to get the required amount of bonds or who were late in arranging conversion can still do so through dealers. Some houses are offering six and 12-year conversion bonds at the issue price plus interest from Oct. 15. The two issues were quoted at 99⅛, and 96⅛, compared with original prices of 99 and 96½. Those who take up bonds now, of course, do not get the premium of ¼ offered by the Dominion, nor do they get an extra 15 days interest as did those who converted. Disturbing news of European politics weakened the bond market slightly just when the loan had been closed.

Holders of some $139,000,000 of maturing 1933 bonds were given the full amount of new bonds in the conversion. Banks were given the new two-year 3½'s in exchange for $40,000,000 of this year's treasury bills, it is understood. This left only $46 millions of the loan to supply some $77 millions of cash subscriptions. Therefore, allotments have been made as follows: Cash subscriptions of amounts up to $5,000, full allotment; over $5,000 and up to $10,000, 70 per cent to nearest $500 with full allotment of $5,000; over $10,000 40 per cent to nearest $500 with minimum allotment of $7,000. This applies to both six and 12-year maturities.

The loan was for conversion of $170,000,000 of 5½ per cent Victory bonds maturing Nov. 1, $40,000,000 of treasury bills issued June 1, and for $15,000,000 of additional money, a total of $225,000,000.

Funds Still Available

As advertised, the Government limited the amount of the loan to the stated sum. As evidence that it did not exhaust all available funds, dealers inform The Financial Post that clients were prepared to take more bonds, if necessary. Such offers of funds would be in addition to the applications actually received in excess of the amount of the loan.

In some quarters, considerable credit for the smooth working of the financial machinery is given to W. C. Clark, Deputy Minister of Finance, who was in charge of the technical work on the loan. This was the first occasion on which the Dominion had conducted its own funding operations instead of through a dealer or banking group. Mr. Clark had practical experience in the bond business before lecturing in economics at Queen's University whence he was taken by Mr. Bennett to work for the Dominion.

Maturities of the new loan are for 1935, 1939 and 1945, and are considered in financial circles to be well arranged. The two latter years are blank of Dominion maturities and 1935 is a light year, although it is preceded by 1934 when substantial refunding will have to be faced. The variety of the offering met with wide approval.

Interest Cut Offset

Statements that the conversion loan has effected a saving of $2,500,000 in interest do not fully explain what really happened in this connection. What the Dominion did was to borrow more money at about the same gross cost as it had been paying for a lesser amount. Reduction of interest from 5½ per cent on $170,000,000 of 1933 bonds to 3½ and four per cent on $225,000,000 of new issues was largely offset by the interest cost on the extra $55,000,000 of bonds issued.

However, the removal of the tax-free feature carried by the 1933 issue is a distinct advantage, although the value of this cannot be accurately determined. Certain it is that the Dominion needs the extra income tax revenue which this may supply because the newly issued figures for September revenue and expenditure of the Government show that in this section the national exchequer is losing ground.

Dominion Revenues

In September, decreases were shown from September, 1932, in revenue from the income tax, excise duties and miscellaneous items. Increases were shown by customs import duty, excise, sales and stamp taxes and the post office. The chief increase was $4,400,000 in excise, sales and stamp taxes where the sugar levy is apparently starting to function. Other changes in revenue are of minor size.

For the six months ended Sept. 30, all sources of current revenue showed a decrease except the excise, sales and stamp tax item which is nearly $6,000,000 ahead of the figure for the same 1932 period. Decreases were: customs, $7,400,000; excise duty, $2,950,000; income tax, $5,000,000; post office, $1,000,000; miscellaneous $500,000. So the rise of the income tax has been unproductive of additional revenue.

Among expenditures, current costs have been cut over $5,000,000 in the six months, despite the radio commission's costs of $420,000 in the period. Special expenditure dropped over $5,000,000 due to a reduction of that amount in unemployment relief outlay.

Costs Down, Also Revenue

In the first six months of its fiscal year, current revenue is down over $11 million which is offset by a decrease of slightly more in expenditures. This is shown, along with September figures, below:

Dominion Revenue and Expenditure

Month of September

	1933 $ 000's	1932 $ 000's	Change $ 000's
Revenue			
Current rev. ..	24,974	22,986	+ 1,988
Spec. rcpts.	3	3	....
Loan acc. rcpts.	41,025	13,000	+ 28,025
	66,002	35,989	+ 30,013
Expenditure			
Current exp. ..	21,570	21,234	+ 336
Special exp. ...	2,023	2,852	— 829
Capital exp. ...	717	867	— 150
Total exp.	24,310	24,953	— 643
Loans	3,534	4,413	— 879
Debt redemp. ..	43,310	19	+ 43,291
	71,154	29,385	+ 41,769

Six Months to Sept. 30

	1933 $ 000's	1932 $ 000's	Change $ 000's
Revenue			
Current rev. ..	163,104	174,198	— 11,094
Spec. rcpts.	113	67	+ 46
Loan ac. rcpts.	239,180	43,000	+196,180
	402,397	217,265	+185,132
Expenditures			
Current exp. .	162,994	168,077	— 5,083
Special exp. ..	15,172	20,557	— 5,385
Capital exp. ..	7,674	8,698	— 1,024
Total exp.	185,840	197,332	— 11,492
Loans	33,293	56,475	— 23,182
Debt redemp. .	128,368	4,209	+124,159
	347,501	258,016	+ 89,485

The feature of the September statement is that the monthly deficit on current account shows its third successive decrease. That is the shortage of revenue to meet expenditures has become less in each of July, August and September. However, September expenditures were cut but little from last year. The improved position was due to heavier taxation.

Judging from the size of temporary advances from the Dominion, the C. N. R. deficit may be smaller this year. The advances had totalled $81,100,000 on Sept. 30, as compared with $39,195,750 a year earlier. Loans to provincial governments for relief account were down from over $16 million to less than $2,000,000 in the six months, but this does not cover the most difficult period of the year, the winter.

Loan account receipts and debt redemption show substantial increases over similar operations for the first six months of 1932. An excess of receipts over redemptions of some $72 million represents chiefly the £15,000,000 loan marketed in London last August.

In financial circles it is now freely granted that the Dominion is unlikely to come close to realizing its hopes of increasing revenues by some $70,000,000 this year, as planned by Hon. E. N. Rhodes in his budget.

New money raised in the recently funded conversion loan amounted to $55,000,000, or $15,000,000 depending on the point of view. The $40,000,000 difference is in six months treasury bills issued last June 1, "to tide us over until the conversion loan in the fall," in the words of an official of the Department of Finance who explained the transaction at the time.

Although the treasury bills were treated as maturing securities eligible for conversion, they may be considered new borrowing, at least as far as the year's financing is concerned. That is, they represented an advance of anticipated conversion loan proceeds, according to the explanation given to The Financial Post in June. In brief, the increase in debt was $55,000,000, whether part of it was made in June or October.

EUROPEAN SCARE WEAKENED BONDS RECOVERY LATER

Conversion Loan 12-Year Issue Sells at 96⅛, 6-Year's at 99⅛

Following alarmist reports on the European political situation early this week, the Canadian bond market suffered a setback from which, however, it recovered with comparatively minor losses. Corporation bonds were under some pressure, but showed gains for the week ended Oct. 17. Government and municipal securities gave a little ground but firmed later.

The gilt-edged market was firmer during the conversion loan, but weakened slightly immediately after the operation, on the European scares. The result was that the 12-year conversion 4's were selling at 96⅛ compared with the offering price of 96½. The bond market generally seemed to strengthen because of the success of the conversion. The new six year bonds were quoted 99 to 99⅛.

Western provincial bonds showed only fractional changes in the week ended Oct. 17. This market has shown determined stability for the last month, despite poor crops and prospects of heavy provincial relief expenditures in some sections this winter.

Among corporation bonds, gains outnumbered losses for the week. Grain issues were firm with Alberta Pacific 6's of 1946 gaining 4½ points on the bid side to 71½, and the Western Grain 6's up one point to 49.

Maple Leaf Bonds

Despite the recent stormy shareholders' meeting Canada Bread 6's of 1941 gained half a point to 94½. Bonds of this company's parent organization, Maple Leaf Milling Co., advanced 1½ points to 45. However, this issue, with the annual report imminent, is far below its price of earlier this year. There is some expectation of an unfavorable showing in the report.

Price Bros. 6's of 1943, after a gain of 5½ points on the bid side last week, continued to rise, and showed a gain of five points to 66 bid. The market appears to like the Bowater-Sweezey scheme by which the property may come under control of powerful financial interests.

Among construction issues, Canadian Vickers 6's of 1947 gained two points to 44 and Canada Cement 5½'s of 1947 rose 1½ points to a bid of 74. McColl-Frontenac 6's of 1949 yielded two points to a bid price of 95½, possibly on prospects of the forthcoming Combines Act investigation of the oil industry. However B. A. Oil 5's of 1945 were firm at 98½ bid.

Among utilities, gains prevailed. Bell Telephone 5's of 1955 and 1957 were up a point to 104. B. C. Power 5½'s of 1960 and Calgary Power 5's of 1960 gained the same amount to 90 and 82½ respectively.

No Municipal Deals

Municipal sales and tenders were again chiefly notable for their absence, largely due to domination of the market by the Dominion conversion loan.

Trend of prices of gilt-edged bonds is indicated by the average yields shown below:

Average Yield on Seven Canadian High Grade Bonds

	%		%
Oct. 17	4.420	Oct. 7	4.429
Oct. 16	4.420	Oct. 6	4.430
Oct. 14	4.430	Oct. 5	4.431
Oct. 13	4.427	Oct. 4	4.443
Oct. 12	4.428	Oct. 3	4.456
Oct. 11	4.424	Oct. 2	4.460
Oct. 10	4.433	Sept. 5	4.357

Bond Redemptions

Bond Issues:	Rate	Due	Redeem.	Price
Calgary Brewing	§5%	1942	Nov. 1	105
Northern Electric	*5%	1930	Dec. 1	105
Dom. Canners ..	†6%	1940	Nov. 1	...
Davies, Wm. ..	*6%	1942	Nov. 1	...

§Purchase of bonds for sinking fund $10,900.
*$190,100 redemption for sinking fund.
†Purchase of bonds for sinking fund.
*$150,000 for sinking fund.

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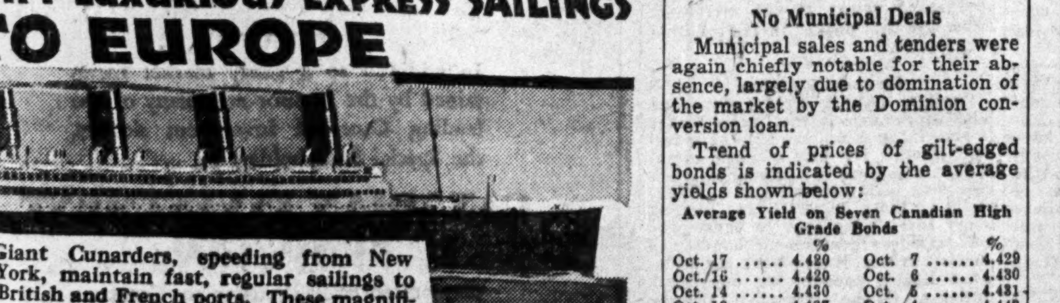
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FANNY FARMER SALES, PROFITS AHEAD OF 1932

Business Improved and Outlook is Much Brighter

TEN NEW STORES

Christmas Trade Will Determine Profit for Year But 1932 Profit Should be Exceeded

Sales and profits of Fanny Farmer Candy Shops Inc. are reported to have shown a highly satisfactory increase in the nine months ended September 30 in comparison with sales and profits of the corresponding period of 1932. With the most active months of the year, November and December, yet to come, including Thanksgiving and Christmas, it is impossible to estimate earnings for the year with any accuracy but if business continues at the present level it is probable that net profit will exceed that of 1932 when the company earned $147,725 or $1.02 per share on the common stock.

Increase in both dollar volume and poundage of sales in the current year may be attributed to the lower prices put into effect during 1932. In December, 1932, the company established a price in all of its 148 stores of 60 cents per pound or two pounds for $1 as compared with the previous prices of 80 cents per pound in stores in New York City and 70 cents per pound in all other stores.

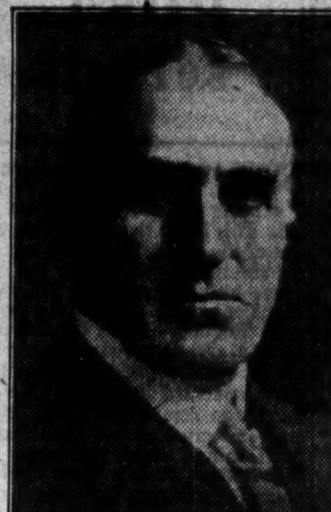
Had Profit in August

While the price factor has been important in increasing sales, local conditions have naturally affected sales of the chain which has stores scattered from Massachusetts, New Jersey and Pennsylvania on the east to Minnesota on the west. A hot summer retarded sales in many of the stores but sales in New York City and Boston were higher as a result of improved business conditions in these centres. As a result, the company ended August with a profit as compared with a loss in 1932. Increased purchasing power as a result of the N. R. A. programme has not as yet been felt to any great extent.

During 1933 some 10 new stores have been added bringing the total to 158. The number of manufacturing studios remains unchanged at six. The company is operating under the N. R. A. and its stores display the blue eagle insignia of that national movement but costs have not been greatly increased due to the fact that the company has always paid comparatively high wages which are still above the requirements laid down in the code for the confectionery industry in the United States. The increased volume of business done in 1933 has served to increase net profits to date although an important factor has been the reduction in overhead charges made possible by reduction of rentals on stores late in 1932.

Not only has business improved this year but it is stated that prospects are for greater sales volume in 1934. The outlook is considered to be much brighter than it has been for the past few years in which volume of sales has been declining from the peak of $4,068,258 achieved in 1929 to $3,207,408 in 1932.

Elected Director



E. W. KNEELAND

Of Winnipeg, president and director, Kneeland Grain Co., who has been elected to the board of directors of North American Life Assurance Co.

Regina Civic Bus Line Completes Year's Service

From Our Own Correspondent

REGINA. — Regina's lone civic-owned bus has completed its first year, ending Oct. 7, showing an income of $9,788, cost of operation $7,308 leaving a net profit of $2,480. A total of 161,042 passengers were carried over a mileage of 39,872.

The overhead expenditure included $1,412 for depreciation. The street car system continues to show a heavy loss.

Foreign Bonds Sharply Weaker in N.Y., London

Foreign bonds dropped sharply early this week upon announcement of Germany's withdrawal from the Geneva disarmament conference and the League of Nations. German, Swiss, French, Belgian, Italian and Polish loans went down one to five points at New York, and then recovered sharply.

German bonds were hard hit in the London market. Dawes loan 7's of 1949 dropped from 80 to 74, and Young loan 5½'s fell from 51 to 46. In New York the quotations for these issues fell to 66 and 39 respectively, recovering to 69 and 42. These movements were attributed to nervous selling and to foreign exchange fluctuations which were also based largely on financial fears, followed by the usual technical recovery.

Cobalt in Financial Straits Asks Further Provincial Aid

Town of Cobalt, Ont., has decided to default again on school debentures guaranteed by the province and held by the Canadian Bank of Commerce. These were not met last year.

September accounts have been tabled and grants were delayed, according to report, pending discussions of financial difficulties with the province and the municipality's bankers. It was reported that Cobalt will ask the province to bear the total cost of unemployment relief. Receipts of the town to Sept. 30 this year are reported as $46,311, against expenditures for the period of $44,637. Of estimated revenue of $77,575 for 1933, it is reported that $28,476 in taxes has not been collected.

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Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Sherbrooke R. C. Sch. Comm.	Oct. 11 ...	L. G. Beaubien & Co.	5%	20 yr. ser.	$75,000	98.09	[illegible]

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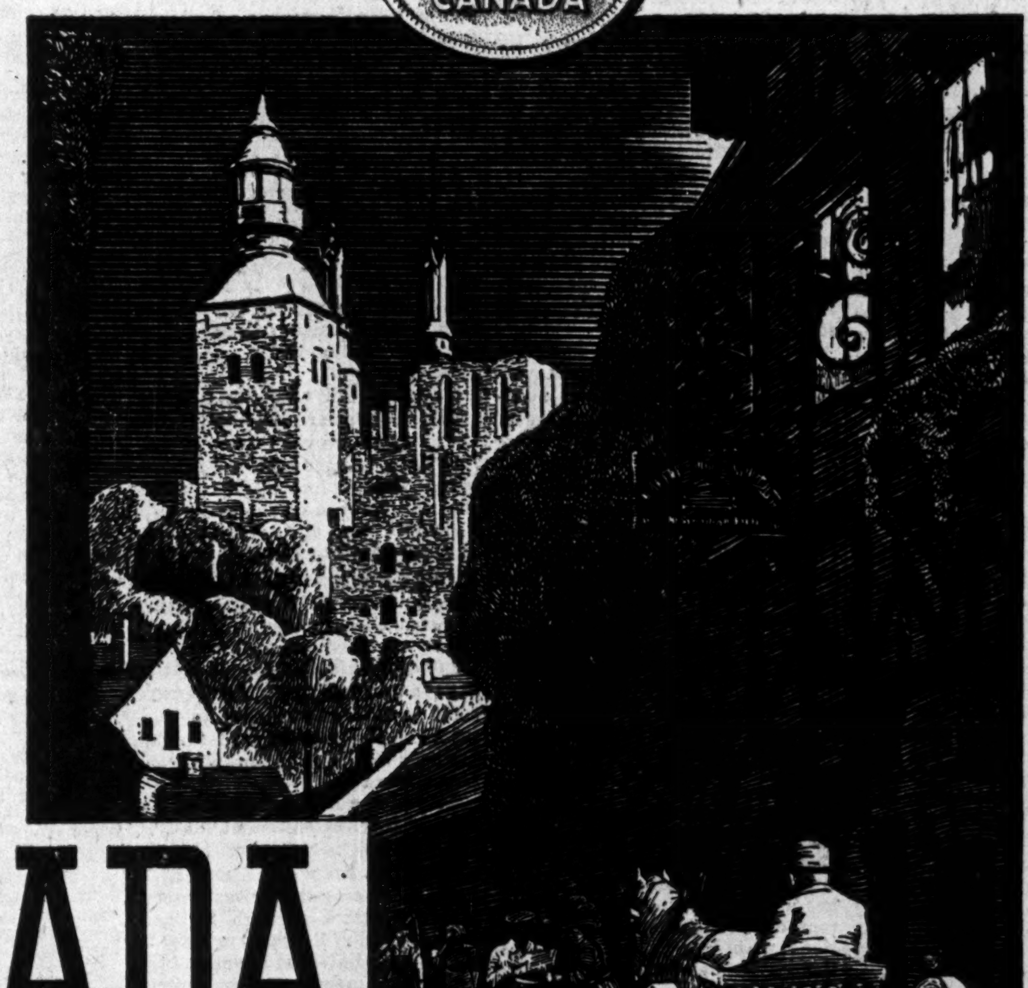
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TORONTO, OCTOBER 21, 1933

TAXATION AND OUR NEW PROSPERITY

FOR genuine prosperity in Canada, we shall require the restoration of world trade and a general world rise in prices. We shall require something else, and that is a period of new capital investment, not to expand those of our industries and services that are already over expanded but to rebuild many of them, to make them more up-to-date and more efficient and to open up new areas and new wealth sources.

We shall have to count on getting a large share of our new capital abroad. Our governments should rely more upon home sources for capital. Our great industries and similar enterprises may however well seek capital abroad. The capital we shall require will be twofold in character; first, the investment of money and second, the investment of men. For a definite programme of settlement on a plan that will recognize and avoid many of the mistakes of the past must go hand in hand with our new era of development. New money without new people will avail us little.

Immigration, it was remarked by Punch the other day, is the sincerest form of flattery. This truth applies both to men and to money. We must make Canada attractive for migrating dollars and migrating men. One factor requires to be emphasized:

The burden of taxation and governmental costs must be greatly lessened. This will involve a new approach to the problem of the individual and the State. There can be no adequate curtailment in the proportion of the national income spent by government if we insist on continuing our present reliance on State action and control. There must be a complete abandonment of many fields of enterprise and service by governments. Our taxes are high because a certain number of people in the country want them to be high. A high level of taxation is to them the best expression of a system under which the State intervenes to re-distribute wealth.

HEWING TO THE LINE

WHENEVER delegations of business men or committees from boards of trade approach prime ministers and cabinet members with demands for economy in public affairs there is one favorite method of evasion of the issue that is used by the politicians. Almost invariably they reply that one reason government expenses are so high is that business men themselves petition for so many improvements, new departments, and new services from their governments. Obviously governments cannot meet all the demands made upon them for larger appropriations and at the same time meet any of the demands made upon them for moderation in their spending.

In the statement of policy adopted by last week's annual convention of the Canadian Chamber of Commerce, this error of asking for public money on the one hand and criticising governments for their expenditures on the other hand was avoided and as a result the Chamber's statement of policy, which takes the place of the extensive resolutions which used to be adopted each year, is one of the strongest documents which it has yet put out.

It urges Boards of Trade throughout Canada to support all public authorities in their economy programmes but asks them to refrain from petitioning governments in connection with expenditure of public funds unless the proposed undertakings promise to be self-supporting, are absolutely necessary to effect economy of operation, or are definitely in the public interest in the economic development of natural resources.

The Chamber's statement of policy also recognizes the necessity of restricting the function of governments if any reduction of taxation is to be achieved. Business men are asked to be courageous in naming the activities from which they ask the government to refrain. Opportunity, it is pointed out, should be given to personal enterprise in the handling of business affairs and business men are urged to prove by their integrity and their high business morals that they are worthy of this trust. This comment in the statement of policy is very much to the point. It may be recalled that it was the manufacturers of Ontario who forced the Ontario government to go into the business of manufacturing and distributing electricity; that the business men of western Canada advocated the construction of the Hudson's Bay Railway by the Dominion government; that boards of trade in the West urgently supported the Dominion government guarantee of wheat pool loans, etc. If the Canadian Chamber of Commerce can bring greater consistency into the demands of boards of trade upon their various governments, it will be aiding greatly in the restoration of the soundest basis for business enterprise and recovery in Canada.

CHANCE TO PREACH AT HOME

AMERICAN business interests launched a strong offensive for tariff reductions between Canada and the United States at the Canadian Chamber of Commerce meeting in Ottawa last week. At least one must assume that a major offensive was being launched. The weight of the artillery did not suggest that the Americans came over merely to amuse themselves setting off firecrackers.

The president of the United States Chamber of Commerce, H. H. Harriman, made a speech in which he referred to the declining trade between the two countries as "ominous." He urged that "business-like and unbiased" views should be taken of the trading situation between Canada and the United States.

A joint committee of Canadian and American business men made three definite recommendations looking to the improvement in trading conditions between the two countries, the most important being the necessarily indecisive generalization that "mutual trade relations should be conducted upon the principle of affording reasonable competition in each other's markets consistent with reasonable protection for their respective industrial conditions."

At the same time, James A. Farrell, chairman of the Foreign Commerce Department of the United States Chamber of Commerce and for 26 years president of the United States Steel Corp., stated that it was a question for serious thought whether the growing trade of Canada with the United States, due to natural trade advantages on both sides of the border, could be "artificially diverted into other channels" without unsettling effects in the whole field of international commerce.

This reflected Mr. Harriman's previous interrogatory comments when he asked if the Ottawa agreements with other Empire countries had not diverted trade into channels which were not dictated by sound economics.

It is hard to know just how significant these Canadian-American conversations and these statements are. Canadians have often been assured in the past by leading American business men that they were very anxious that there should be fair tariff arrangements between the two countries but our primary producers have had scant assistance from these same business men when Congress has been running amok on tariffs. And at the same time, it is questionable if the large business interests represented by the United States Chamber of Commerce have any real influence with the present administration although they apparently were in the counsels of Coolidge and Hoover.

There will be no general disposition in Canada to disagree with any of the comments made by these American gentlemen. This country has always been ready to maintain reasonably satisfactory trade relations with the United States although we have always made the reservation that we will not boycott Empire countries to trade with Uncle Sam. In fact, the many rebuffs we had received from the Washington tariff makers were a very definite factor in our eagerness to sign the Ottawa agreements. If Messrs. Harriman, Farrell and the balance of their delegation would see to it that the views they expounded in Canada are more widely propagated in the United States they might the sooner attain their objective. For it is not Canada, but the United States that has taken the lead in making trade between the two countries so difficult that it has recently dwindled in volume year by year.

Before Canada can indulge in gestures of tariff generosity towards the United States we have to have some assurance that Congress feels the same way these business spokesmen do.

JOBS FOR MILLIONS

THE agenda prepared for the World Economic Conference estimated that there were 30,000,000 men unemployed in the world. But since the beginning of the year more than 5,000,000 of these have gone back to work. A more definite estimate cannot be made as unemployment figures are notoriously inadequate in almost every country, including Canada.

But the estimate of 5,000,000 is a safe, conservative one based upon reports from more than a score of countries. It indicates a remarkable reversal of the downward trend of economic affairs.

Greatest improvement in unemployment figures has taken place in the United States and Germany, where it is partially to be explained by the vigorous regimentation of industry under State control and where for that reason we can not have complete confidence that the figures mean all that they suggest to us when we first glance at them. But in Great Britain, Canada, Australia, France, Italy and numerous other countries where more fundamental and natural forces have been at work unemployment has declined materially, leading us to the inevitable conclusion that what we are witnessing is really the turn of the economic tide.

The International Labor Office has issued similar reports indicating that unemployment statistics for the past quarter have shown the first improvement evidenced since the beginning of the economic depression. Only in four small countries, has unemployment increased; in every other country there has been an improvement.

In the past six months, industrial unemployment in Great Britain has declined by nearly 500,000. In Italy, the unemployed have fallen from 900,000 to 800,000. Even in France, bearing the heavy burden of protecting her monetary standard from the sweep of a world tide, there has been a pronounced decline in unemployment. In Germany, more than 1,000,000 people have gone back to work. In the United States some 2,800,000 people have found jobs.

A simple calculation reveals that if 5,000,000 out of 30,000,000 unemployed have found some kind of work to do there must still be 25,000,000 people unemployed. Britain is paying the dole to 2,500,000 and the United States is planning to provide direct relief for 15,000,000 this winter. There is a long road yet to travel, it is a difficult road with many rough spots and not a few barbed wire entanglements. But the business cycle is now working with us rather than against us.

A GOOD PAPER

THE SIMCOE REFORMER, one of the most important and influential weekly papers in Ontario, has just celebrated its 75th anniversary by inviting sixty of its rural correspondents to a luncheon and conference.

The Reformer has always been as good an example as we have in Canada of the country weekly, with an excellent news service and courageous, sound, aggressive policies originally under the Donly and now the Pearce family. The editor, Bruce Pearce, is a young man, a graduate of McMaster trained in the law, a barrister who has not practised in court or on the platform, but doing fine constructive work with his pen.

Norfolk County is the centre of the growing tobacco industry which has attracted hundreds of settlers from Holland. Many of them do not read English and The Reformer has placed three columns weekly at their disposal in their own language.

THIS WAR TALK

A GREAT many good citizens in every country in the world have come to accept what they regard as the inevitability of another great war. The newspapers are full of war talk. Travellers who come home from Europe announce that the Continent is on the verge of another great outbreak.

Certainly, frayed nerves and the national jealousy existing in the world today provide an ideal setting for a further outbreak of hostility. But it is important to realize that the promise of another war is a definite part of the propaganda of the armament makers. They want people the world over to talk about war, for it has the effect of creating a war-like psychology. If enough people are convinced that war is inevitable, then it is a simple matter to get a war underway. People have come to expect it and are not surprised when it breaks out. Similar methods were used in fomenting the Great War.

One of the best informed of the foreign services says that most of the war talk is unsound. For instance, the French are making a great noise over the German secret plans to attack through Switzerland, instead of Belgium, in order to strike immediately at Lyons and the armament manufacturers centred in the Rhone Valley. But this French outcry is largely an argument for increased army funds to extend fortification work.

Sheer insistence on peace on the Coué plan will not necessarily end the threat of war but on the other hand constant re-iteration of the fact that the world is on the edge of war will arouse such international suspicions and distrust as to make war impossible to avoid.

EDITORIAL NOTES

The dressmakers' strike in New York is over. Husbands never get a break these days.

* * *

And now it's the doctors who want to perform an operation on the national treasury.

* * *

President Roosevelt says he was once labelled a "radical." But no one labels him a conservative today.

* * *

The Nazi relief programme provides for larger payments to the healthy than to the unfit. This is reviving the law of the jungle in its extremest form.

* * *

The American woman who suggested that peace conferences ought to be held before wars begin rather than when they are over might have been on more solid ground if she had suggested they never be held at all.

* * *

A British professor says the hardest work in the world is performed by the Canadian lumberman who requires 8,000 calories of food everyday. Can it be that the denuding of the forests is really responsible for the wheat glut?

* * *

Weeks after the National Recovery plans got under way, a committee has been set up to co-ordinate the farm and the factory phases of the programme. Apparently it has not occurred before to Washington that the two schemes could not succeed if they moved in opposite directions.

POST-scripts

SOME reports would lead one to believe that the Regina district is a bleak and barren business desert. This is not the case. This week one of the larger mortgage companies received a remittance for three years back interest and $75 on account of principal from one farmer near Regina. From another firm came $1,000 on account of principal plus the interest to date. On a third farm, operated on a share basis, the mortgage company's share of the crop amounted to over 3,000 bushels. Such things make mortgage men feel better; justify them in their policy of sticking by the farmers, avoiding foreclosure where it can possibly be avoided.

Mortgage companies dislike foreclosing. They have no ambitions to go into the farming business. They want reasonable protection for the money they loan because it isn't their money, simply funds they have been given in trust.

In the records of one lending institution there is a story that deserves to become better known. It relates the account of a loan made to a Western farmer in the post-war days of rather inflated valuations. The farmer got into financial trouble in the collapse of the middle 1920's. He died and his widow attempted to carry on. She had great difficulty doing so. The mortgage company made no attempt at legal proceedings when she failed to meet her principal and interest payments and got behind in her taxes. One day she packed her bag and abandoned the farm. The mortgage company tried to find her but failed. She was apparently "spurlos versenkt." They put a neighboring farmer in to crop the property on a share basis. After about a year they began to take the slow proceedings necessary to obtain title to the land but they made no attempt to speed up the process, hoping the owner would some day turn up. Then came the big crop of 1928. The mortgage company's share was enough to pay up all past due interest, all tax arrears, to clean off the balance due on the principal and to leave a net sum in cash. Efforts to find the widow were redoubled and she was finally located, restored to her farm, handed a cheque for the surplus in the hands of the trust company and, somewhat dazed, given a new start in life.

They are soulless creatures, these lending companies. Any red agitator will tell you that. But ask this widow what she thinks about it.

THE Northwestern Miller reports a material increase in the United States in recent months in demands for compensation from millers and retail flour distributors because consumers, egged on by attorneys who need the business, claim to have had their health and mental peace seriously harmed through finding peculiar and most unexpected foreign substances in flour. Nine out of ten of these claims come from attorneys and claims come usually from definite districts which have been worked by these attorneys, it is claimed. Claims are usually filed for the entire family and range in amounts from $50 to $100 for each individual.

Claims have been pushed against milling and baking companies for the reason that food companies are especially sensitive to any allegations of impurities or foreign substances in their products. They have been inclined in the past to pay an unjust claim rather than have any trouble. It is now ascertained that those companies, which have been following this policy, have had far more claims than others.

Finding mice in flour seems to be the favorite claim of those attempting to get financial remuneration from mills. Millers claim that if a mouse is actually found in a flour bag it has gotten into it in some way after the flour has left the mill floor. Many claims are issued for worms and weevils. It is possible for such insects to germinate in flour but practically every honest claim, it is stated, has resulted from poor storage in grocery store or warehouse.

Millers in certain territories are co-operating in informing each other of the names and addresses of these claimants. This may stop the racket where one individual or family collects tribute from more than one mill. It is even suggested that a central clearing bureau for the entire milling industry would be advisable for self-protection.

Sayings of the Week

"Mr. Hitler is the last pink promising bud upon the flowering tree of progress."—*G. K. Chesterton.*

* * *

"Never open second class mail. This saves several hundred calories a year."—*Walter B. Pitkin, American writer.*

* * *

"Law must always be the articulate organ of the desire of living men. Men cannot be made good by force."—*John D. Rockefeller, Jr.*

* * *

"In this year of grace, 1933, there is unfortunately no institution, sacred or profane, that is safe from attack."—*Sir Charles Petrie.*

* * *

"I believe that, for the moral and political prestige of the nations, it would be advisable to place an embargo on conferences."—*Benito Mussolini.*

* * *

"Nearly all the material things which distinguish this age from the last are things which make or communicate more noise than there was before."—*A. P. Herbert.*

* * *

"Civilization is an edifice built on a foundation of righteousness; if that foundation is corrupted the edifice must inevitably crash to ruin.—*Rabbi Israel Abrahams.*

* * *

"The ideal government, as I view it, is that which combines the greatest amount of freedom for the individual with the greatest co-operative activity of the community."—*Havelock Ellis.*

* * *

"We shall have many difficulties and much criticism but I console myself with this thought 'the dogs bark, but the caravan passes on.'"—*Montagu Norman, Governor of the Bank of England.*

* * *

"The Hitler movement is a sinister, well-planned conspiracy on the part of the former ruling classes of Germany to regain the power they lost when they lost the war."—*James Rowan, member of the General Council of the British Trade Union Congress.*

New Books

"Canadian Papers 1933"

The main economic papers prepared by the Canadians contributing to the discussions of the recent Banff Conference of the Institute of Pacific Relations have been published in a paper bound book and are now available to those interested in the subjects covered.

In the past three years Canada has moved from the ranks of the moderately protected countries to join those that are definitely high protectionist, according to Prof. W. A. Mackintosh of Queen's University who writes on Canadian Tariff Policy. Between 1897 and 1930, whichever party was in power, the Canadian tariff was the result of compromise. An attempt was made to serve many diverse interests and the result was an extremely illogical tariff. But in 1930 reversion was had to the National Policy of Sir John MacDonald. Prof. Mackintosh contends that even the Imperial Conference agreements of 1932 left Canadian industries with adequate protection against Empire goods. He believes that Canada must become more internationally minded and he forecasts that, as the depression eases, the Canadian tariff will tend to come down.

Prof. Kenneth W. Taylor, of McMaster University examines the Imperial Economic Conference agreements in relation to trans-Pacific trade and finds that in this area, the revised duties are unlikely to divert any considerable amount of Canadian purchases from non-Empire to Empire countries although he sees larger possibilities for Canada gaining benefits in the Empire countries across the Pacific.

A rather comprehensive review of the participation of the state in the wheat industry of Western Canada, since the prairies were first opened up, is made by Steven Cartwright. He concludes with a note of regret that the individualism has in large measure been restored to wheat growing and marketing. One feels that he fails to see the lessons of the many great political blunders that have already been perpetrated in Governmental attempts to legislate prosperity for the Western farmer.

Extensive tables on Canada's trans-Pacific trade have been prepared by a group headed by Prof. James M. Macdonald of Dalhousie University and are included in the volume. D. W. Buchanan tells how the Canadian Sugar Refineries, the only beet sugar company on the prairies, has successfully controlled production of sugar beets in its territories to bring substantial prosperity to itself and to the beet growers as well.

Copies of the "Canadian Papers 1933" may be obtained from the Canadian Institute of International Relations, 43 St. George Street, Toronto, at 75 cents.

In the Mail

Appreciates Editorial

Editor, The Financial Post:

Allow me to extend felicitations on your publication of the "Silent Masses Aroused," which might profitably be cut out, framed and hung in every house in Toronto.

"The Globe" by its straightforward, and decent support of a hardworking and much harassed Chief of Police, has made more friends than it will ever know.

A. E. FINUCANE.

Toronto.

Would Retire the Oldsters

Editor, The Financial Post:

Regarding the policy of retiring executives adopted by the Imperial Oil Company, I say it is the best thing they have ever done. I also think that if 90 per cent of the manufacturing and financial institutes in Canada did the same thing we would soon have good times.

Get new blood into their places and forget most of the past experiences and I think you would soon see favorable results.

You are fairly critical of President Roosevelt and his policies in the United States, but I take off my hat to him for having the backbone (which our executives apparently haven't) to try and do something instead of sitting down and waiting for a kind Providence to provide a way out.

WESTERNER.

Moose Jaw.

Supports Water Scheme

Editor, The Financial Post,

I was much interested the other day in reading an article in The Financial Post by W. G. Ross of Moose Jaw, outlining a proposed plan for damming the Moose Jaw River and creating a lake in the Qu'Apelle Valley.

I have talked to several people in Saskatchewan regarding this and they seem agreed that the scheme is feasible and should not entail a very large outlay of money. There is no doubt that the presence of bodies of water of any size have a material bearing on the atmospheric conditions of the surrounding country, and as it is made so manifest year after year that Southern Saskatchewan is badly in need of additional moisture, a project such as this should be of very practical value. As it will be necessary for some time in any case for the federal government to come to the help of the western provinces in dealing with unemployment, it is certain that projects of this kind are highly preferable to the present objectionable system of direct relief. It is to be hoped this proposal meets with the support it appears to deserve.

HARRY C. ASHDOWN.

Winnipeg.

The Forgotten Depositor

Editor, The Financial Post:

According to articles appearing in the newspapers everything has been settled except the cheering in regards to a central bank.

The Macmillan Commission report has not been released to the public, but it seems to be taken for granted that the various professors of economics have shown the commission the way to the land of Utopia.

All the professors seem to be for it; although the practical bankers seem convinced that there is no real need of such an organization in Canada. The learned professors may have written books and lectured, but not one of them has ever "gone to the mat" with a practical problem of banking. It is indeed hard to believe that the professorial views will prevail over those of practical bankers.

Of course, politically, it would be a popular announcement that a central bank was to be recommended, for all political parties, regardless of any color of shirt they might wear, have been damning and blaming the banks for everything that is wrong under the sun. The only class that have seemingly, been quite satisfied with the present banking system as it now prevails in Canada is that party known as bank depositors, and they apparently were left out in the dreary cold as far as any opinion was concerned.

Bank critics are having their day and most likely always will until some great economist evolves a way whereby a person can, by simply manipulating a little gadget, obtain a "desired loan" without all the present trimmings,—such as confidence, integrity plus.

EDWARD E. BREWER.

Edmonton,

"Stop Me If You Have Heard This One"

Among the train passengers were an elderly Highlander and a young lad. The former was holding a watch in his hand and studying it with intense interest. Suddenly he seemed satisfied and he beckoned the ticket-inspector to him.

"What is it?" the latter asked.

"I want to pay the rest of my grandson's fare," replied the Highlander; "he has just become twelve years old."

As Others See Us

Solloway Pays Something

Fort Erie Times-Review.—The Financial Post publishes an Ottawa dispatch saying that an income tax assessment against I. W. C. Solloway, of mining-brokerage fame, was settled for $100,000, although the income tax officials had assessed somewhere about $700,000. It is averred that the settlement was reached after Solloway had conferred with several members of the cabinet.

It may be, of course, that the Government decided to take what it could get rather than run a chance that a legal fight for a larger sum would not be successful. It would be interesting to know whether the income tax officials themselves believe the settlement to be justifiable. But their opinions doubtless never will be known.

"Milking Taxpayers"

Collingwood Enterprise-Bulletin.—The Financial Post talks of "milking taxpayers to bonus bay route," the reference being to the assistance given shippers who use the Hudson Bay route. It might well take up another phase of the milking process and have an article entitled "milking taxpayers to pay industrial inspectors." Was there ever such an army loose on striving industry? As heretofore pointed out in these columns a week without a visit from one, two, three or even four of these gentry might well be counted an exception. All mean more or less indirect expense to the inspected, while, on top of this the country is paying heavily in the form of salaries, travelling expenses and general upkeep. Such a milking cannot go on if Canadian industrial life is ever to return to a respectable form of activity. Once more, let it be said that the situation is just so serious that it opens a real opportunity for an alert politican, one who will not hesitate to do as Abraham Lincoln said he would do in respect to slavery, "hit it hard."

Free Press Fights Back

Winnipeg Free Press.—The difficulties of the Hudson Bay route this year, owing to the unusually low rates on grain going down the Lakes, together with the continued handicap of very excessive insurance charges on the Bay route, have brought a renewed outburst from the East, including an onslaught on the route by The Financial Post, which declares it to be a "colossal failure" and says that "the country would be infinitely better off and taxation could be reduced if the route were completely abandoned." Western people would do well to take note of this attack and proposal to close the Bay route, as an indication of the attitude adopted in some quarters in the East.

If there should be any serious movement to kill the Hudson Bay route, those behind it should fully realize that they were starting one of the biggest struggles ever seen in this country. The West would fight to the last ditch against any attempt to deny it the natural advantage of a shorter and cheaper transportation route through Hudson Bay—after the route has been actually opened. It would mean strife of the most strenuous and bitterest kind, and those who might think of starting it should consider whether the country has not enough trouble now without inviting more of it through discord and the resulting unsettlement.

The Post's attack completely ignores the question of insurance rates, which are absurdly high on the Hudson Bay route.

The insurance charges are the cause of all the trouble. If they were on a different basis that would not mean so inordinate a charge for each trip, the freight rates would be lowered and traffic would immediately increase. But as long as the problem remains, as long as nothing is done about it, certain interests will be protected from the competition of the Hudson Bay route.

The present serious disability cannot be allowed to remain. The capital investment in the Hudson Bay route must earn a return, and can and must give to the West the benefit of the cheap transportation for which it was opened.

Other People's Views

Yes and No

Nation's Business, Washington. — Suggested for a debate at a High School Forum:

"Has more harm been done by bankers who said 'yes' or by bankers who said 'no'?"

American Inflation

Investors Chronicle, London.—"Although the Roosevelt recovery programme is inflationary from start to finish, it is by no means certain that it will be properly applied or that the president will have the will and intelligence to finish it. For example, it does not help industry and trade to inflate credit if the credit is not distributed and put into use; it does not help agriculture to inflate retail prices if wholesale prices lag behind; it does not help the wage-earner to increase wage-rates if hours of work are curtailed or if an increase in wage receipts lags behind an increase in the cost of living; it does not help the nation as a whole to redistribute the national income if greater productivity does not follow or if total purchasing power is not increased. These are the "snags" in the inflation programme."

Business Rotation

Consort (Alta.) Enterprise — The NRA programme in the United States is something along the line of a full day's wages for half a day's work. It should succeed in bringing all business men in the same position financially as those on relief, and turning every last dollar over to those who hold tax-free government bonds and such securities. It may work out somewhat like a concern we once took notice of in the state of N. Dakota Halvorson was the proprietor of a one-man butcher shop and business. He hired Olson to work for him at good wages, but could not pay him. Next year Olson owned the shop and hired Halvorson, under the same conditions, and with the same result. They changed about this way for several years, but the business did not grow prosperous; there were taxes, insurance, overhead, etc., which could not be settled with anything except coin of the realm.

Sic Semper Femina

Northwestern Miller.—We saw a moving picture not long ago which brought into revoltingly sharp relief one of the most revolting phases of patriotic hysteria characterizing the late World War—petticoat persuasion in the enlistment of men. There wasn't anything new about the business. History is full of it. Mythology has its Circes, indicating that femininity has always, in its worst aspects, been a flame for the poor masculine moth.

But of just how much history this proclivity has made we were not wholly conscious until, the other day, we got to delving in the Crusades, and found this: "A singular feature of the popular madness was the enthusiasm of the women. Everywhere they encouraged their lovers and husbands to forsake all things for the holy war. Many of them burned the sign of the cross upon their breasts and arms, and colored the wound with a red dye, as a lasting memorial of their zeal. Others, still more zealous, impressed the mark by the same means upon the tender limbs of young children and infants at the breast." History tells us now that the Crusades were holy only in name. No war ever was more unholy. Of the millions of men who went forth few died in Christian fashion and few returned.

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The Week in Business

Business Recovery Not Halted

FURTHER increase in The Financial Post index of Canadian business in September, though smaller than in any of the previous six months, is nevertheless welcome, particularly as certain indicators tended to create the belief that business expansion had been halted. Labor troubles have been one of the primary causes of the recession of business recorded in August and September in the United States and it began to appear that similar troubles would halt progress in Canada. However, preliminary compilation of the index shows that increased mining and milling activity has carried the September figure to a new high of the recovery.

Even the most sceptical observers of business appear now to be convinced that recovery is definitely under way. As far as Canada is concerned, the fact that we rely greatly on our exports for our very existence makes any further business progress coincident with progress in the countries which are our chief markets. In his speech before the Canadian Chamber of Commerce in Ottawa last week, G. F. Towers, assistant to the president, Royal Bank of Canada, summed up the situation when he called on Canadians to put their businesses in order, maintain their prices at world levels, and thus be ready to take advantage of any betterment in world conditions.

* * *

Railways Busier, Prices Decline

GRAIN and merchandise car loadings continue to be the only two groups to report lower totals than corresponding figures of 1932. Total loadings in the week ended October 7 numbered 53,198 cars, a greater total by 1,969 than in the previous week and by 418 than in the corresponding week a year ago. Coal, lumber and wood products and miscellaneous loadings made the chief gains over a year ago.

Vegetable products again led wholesale prices in a downward move, the September index being 68.9, as compared with 69.4 in the previous month and 70.5 in July, the latter figure being the high point of the recent rise. The most important gain was made by iron, the index advancing from 84.5 to 85.4, chiefly on account of higher quotations for tin plate.

Some recessions in retail food prices reduced the cost of living at September 1 from the beginning of the previous month, according to the compilation of the Department of Labor prepared for The Financial Post. Rent and fuel costs remained at the same level as at the beginning of August, while the weekly cost of food for a workingman with a family of five was estimated at $7.24 at September 1, as compared with $7.43 at August 1.

* * *

Foresee Used Car Shortage

SHORTAGE of used cars less than two years old is expected to materially help in maintaining the market for new cars in 1934. It is pointed out that the small sales in 1931 and 1932 will greatly limit the number of these cars. So far this year the used car market is reported to have been very active, demands of recently re-employed workers being hard to fill in many cases.

* * *

More Canadian Tourists

PERHAPS the feature of the returns from border points on automobile tourist traffic during the past season is the large increase recorded in the number of Canadian automobiles entering and leaving the United States as compared with the considerable decline in the number of United States automobiles entering Canada. Undoubtedly, a considerable portion of the decrease in United States automobiles entering Canada could be directly traced to the attractions of the Chicago Exposition, but the increase in Canadian cars entering the United States is noticeable as far east as St. Stephen, N.B., and as far west as Pacific Highway, B.C., so cannot entirely be accounted for by traffic to the Chicago Fair.

Traffic over the Labor Day holiday week-end, usually considered to mark the end of the tourist season, was heavier at most points than in 1931. For example, Ontario border points were reminded of the boom days of 1929, with three lines of traffic all day on the Lower Arch Bridge, and ferries and other bridges handling a large influx and efflux. Further, St. Stephen, N.B., and Rock Island, Que., also reported a heavier week-end than in 1931. On the other hand, there was a substantial decrease at Lacolle, Que., Coutts, Alta., and at a few farther west points, traffic was lighter than a year ago.

Government, Municipal and Corporation Bonds

List of current offerings furnished on request

Royal Securities Corporation Limited

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MONTREAL TORONTO
Branches in all Province

Business Conditions in Canada

QUOTATIONS FOR FOOTWEAR ALREADY UP

Spring Delivery Prices Rise 40 to 75c a Pair

STORE STOCKS HIGH

Manufacturers Still Solicit Orders for Immediate Delivery at Old Prices, However

Although retail boot and shoe prices have not yet risen to any extent, wholesale quotations for winter and spring delivery are generally higher to as much as 75 cents a pair. It is almost certain, therefore, that price lists will soon be revised to absorb the retailer's increased cost. This increase in prices is a direct result of the increase in leather prices and the much greater advance in other component materials such as silk and cotton.

Record boot and shoe production in August, while cheering as far as it showed greater employment at that time, is not indicative of greatly increased retail demand, The Financial Post learned in talking with a number of prominent boot and shoe men. There has been some increase in demand, they admitted, but they felt that the increased production was largely the result of manufacturers, in order to improve their financial position, selling increased lots on the basis of a probable increase in price.

Job Lots Still Offered

While wholesale quotations for shoes except for immediate delivery are already higher, there are still many factories willing to dispose of their output to large buyers at cost of production, The Financial Post was informed. They feel, it was explained, that it is cheaper to take a loss in operating without allowance for overhead, than to close down their plants, thereby allowing their staffs to move to other districts and having to meet continuing depreciation.

Where they were in a position to do so, even smaller buyers have stocked up to the limit of their capacity at current prices but commitments for spring delivery are few and far between, it would appear. Standard prices will have to be revised if prices for raw materials remain at the present level or else specifications will have to call for a poorer grade of shoe.

Materials Dearer

Manufacturers have to contend with an increase in leather prices of about 10 per cent and a much greater increase in the price of other materials used in manufacture. For example, manufacturers of women's shoes are forced to pay greatly advanced prices for silk and cotton used—and these commodities are used extensively in this type of shoe. Increased prices of between 40 to 75 cents a pair are already being quoted for spring delivery, the smaller increase being the average on men's shoes retailing for around $6 a pair.

Production for fall and winter wear is already completed by most factories but samples for spring wear are not yet ready. The holdup in spring samples has been caused by doubt over prices and although this doubt is still evident, manufacturers must necessarily place their goods before buyers. "Manufacturers are in as much of a fog about what prices will be as anyone else," a large buyer told The Financial Post. He explained, however, that there would undoubtedly be an increase.

Must Buy in New York

In the women's shoe field, conditions in the United States have considerable effect on Canadian prices as fancy and colored leathers of better grades have to be imported from that country. A group of these fancy leathers are produced in Germany but the factories there are so controlled by United States capital that Canada cannot purchase direct. In a few cases, imported leathers are obtained from European countries but, taken as a whole, all buying must be done in New York.

Those women's shoe leathers which are manufactured in the United States have already been affected as to price by the N.R.A. but on the other hand the reduction of premium on the United States dollar has just about compensated for this increase. As already pointed out, however, silk and cotton covering materials and stitching and lining materials have increased greatly in price.

Leather Market in U. S. A.

As far as heavier grades of leather are concerned, such as those used in the manufacture of men's footwear, current prices are probably higher than is warranted in Canada, it was stated. With excellent prices prevailing in the United States, Canadian manufacturers can dispose of their output in that country if Canadian shoe manufacturers balk at prices.

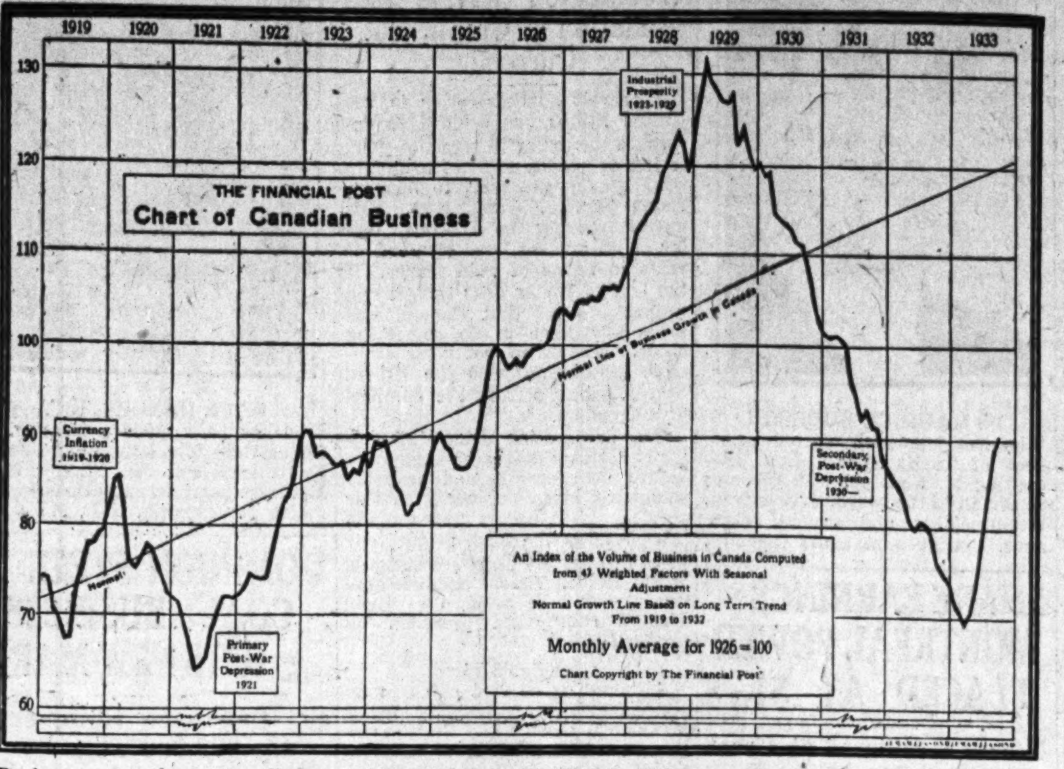
Something over a year ago, a well-known firm of shoe retailers advertised a new line of men's shoes retailing at $5 a pair, guaranteed to be entirely of leather and claiming them as the first shoes of this price sold in Canada carrying such a guarantee. With new prices prevailing, it is doubtful if this guarantee can be maintained without a rise in price. It is possible, The Financial Post was told, to take out about 75 cents a pair in value from a shoe without changing its appearance as far as the purchaser is concerned but this, of course, would reduce the wearing qualities of the article.

Change Price Range

One retailer who has featured three lines, selling at $6, $8 and $10, for many years stated that he was in a quandary as far as future prices and quality were concerned. When prices were going down, he said, the problem was comparatively simple as he was able to put more quality into each of his three lines and maintain the price. He felt, however, that his business had been built up on this quality so he did not want to reduce it. He was seriously considering making his price range $7, $9 and $11 as this would enable him to add even further to the quality of each grade and yet take care of the higher prices asked by manufacturers, but he was doubtful if the public would pay this increased price.

In the United States there is a definite expectation of higher prices and the fear of inflation is evident, a buyer who had just returned from New York stated. Leather factories will not accept orders except for immediate delivery as their future business is entirely booked up and they are fearful of the trend of prices. If commodity prices fail to at least hold the current level, there will be cancellations and a considerable amount of distress leather will be thrown on the market which will naturally depress the price of footwear. This will not affect Canada to any extent, however, as import of this distress leather would be subject to dumping duty.

Mineral Production Aids Business Recovery



Business operations according to preliminary information extended during September the gains of the preceding five months, entering into new high territory on the present movement. Measured by The Financial Post index the level of operations is now greater than at any time since November, 1931, the reaction of 1932 and the first quarter of the present year having been counterbalanced by the sharp recovery of the last six months. The gain in the index from 88.7 in August to 90.4, the preliminary compilation for September, was mainly due to further advances in mineral production, notably nickel and gold, in flour milling and in the physical volume of exports. Paper and lumber failed to extend the gains of August and the curtailed grain movement resulted in a decline in carloadings.

Business Activity Gains Against U.S.A. Experience

Preliminary Compilation of The Financial Post September Index Shows Further Rise — August and September Showed Losses in U. S. A.

By SYDNEY B. SMITH

Preliminary compilation of The Financial Post business index indicates a continuance of the industrial expansion in evidence subsequent to the first quarter of the present year. In view of the rapid advance in preceding months and the reverse in the speculative trend, the excellent showing in September came as a surprise.

Expansion in the United States was more rapid than in Canada from April to July but declines were experienced in that country during August and September. While the recovery in Canada was more moderate in the second quarter, the extension of the last two months has resulted in a very favorable situation. As only about one-half of the 47 factors normally used in the final compilation were available at time of writing there is a possibility that the present standing may be somewhat altered when complete returns are received. The preliminary index was 90.4 in September compared with 88.7, the final standing in August.

Fourteen Factors Gain

Fourteen of the available factors showed gains in September over the preceding month. Mineral production, flour milling and external trade were bright spots in the latest month for which statistics are available. The paper and lumber industries showed some recession from the active operations of the preceding month.

Collateral factors throwing light on industrial prospects were moderately reactionary in September. Wholesale prices showed moderate decline, the drop in crop products, non-ferrous metals and chemicals counterbalancing gains in the other groups. Common stocks showed a week-to-week decline during the month although industrials and gold stocks averaged higher than in August. Dominion Government bonds were at a somewhat higher level in September than in the preceding month, the continued purchase of high-grade securities by the banks contributing to the present strong position. Investment holdings at $866,100,000 at the beginning of September, reached a new high point in the history of Canadian banking. The gratifying success of the 1933 refunding loan was a constructive factor of the period.

Minerals Advance

The indicators of mineral production surpassed the excellent showing of August, six factors out of the available seven recording further expansion. The nickel mining industry was a star performer; shipments to external markets reached a new high point on the present movement, being 10,546,200 pounds compared with 8,443,800 in August. Exports in September 1932 were limited to 1,549,200 pounds and this contrast is significant of the marked expansion in the operations of the industry, a high level being maintained from May to September of the present year.

Gold shipments to the Mint and to external points amounted to 240,110 ounces compared with 233,407 in August. Shipments in September were greater than in any other month since May. Silver shipments mainly to external points were 1,768,000 ounces compared with 1,378,000. Exports of copper from mines were not so heavy in September, the index being 51.3 compared with 68.0. But copper was the only exception in a group of general advances. Lead production was 23,884,000 pounds compared with 19,965,000, and zinc exports were 17,921,000 pounds compared with 15,818,000. It was also significant that asbestos showed a gain from 8,342 tons in August to 9,011 in the month under review.

Milling Activity Important

The flour milling industry in the latest month for which statistics are available, showed marked gain in activity. Output of wheat flour was 1,443,700 barrels compared with 1,323,000, the gain in the seasonally adjusted index being from 106.5 to 117.8. This spectacular gain was one of the main influences in raising the general index in September. Other principal products including oatmeal, rolled oats and corn flour were also in considerably greater volume. Oatmeal output was 648,373 pounds compared with 378,000 and the output of rolled oats was 11,259,000 pounds compared with 10,030,000. Corn flour showed a gain after seasonal adjustment. Sugar production showed recession in the four-weeks period ending in September, the total being 60,378,000 pounds compared with 88,089,000.

Cheese exports at 14,120,500 pounds compared with 6,556,000 showed a marked gain even after seasonal adjustment. The increase in canned salmon exports was less than normal for the season, external shipments being 6,417,000 pounds compared with 4,318,400.

Lumbering Quieter

Production of leather boots and shoes in the latest month for which statistics are available, were 1,919,000 pairs compared with 1,747,000. While the gain was more than accounted for by seasonal tendencies, the remarkable recovery in the last six months is an interesting sample of the expanding trend of a consumers' goods industry during the early period of economic rehabilitation.

While the paper and lumber industries continued at a much higher level of activity than in the same month of last year, recession was shown from the level of the preceding month. Output of newsprint was 179,416 tons compared with 194,262, the decline after seasonal adjustment being limited to 4.2 per cent. Exports of wood pulp were 126,166,700 pounds compared with 138,210,800, the total being about double that of the same month of last year. The advance in the price of ground wood pulp from $18.19 per ton in April to $22.15 in September is a matter of far-reaching importance to the industry.

The exports of planks and boards were 112,039,000 feet in September compared with 128,459,000 in August, the high point of the present year. Exports in September of last year were 35,455,000 feet. The export of shingles at 168,689 squares dropped off sharply from the total of 257,993 in August.

Coke production, which has been gradually expanding since May, was 150,283 tons in the last month for which statistics are available.

Construction Still Lags

The construction industry has not yet participated in any large way in the industrial recovery of the last six months. Contracts awarded in September were estimated at $8,386,900, compared with $9,479,000 in the preceding month. After seasonal adjustment the index was 30.5 compared with 29.4, the low level of operations compared with the base year 1926, being also indicated by these figures.

The decline in the seasonally adjusted index of car-loadings was mainly due to the relatively low level of the grain movement from the country elevators to terminal points, as freight movement in the eastern division continued to expand to the end of the month. The total in September was 202,459 cars compared with 185,555, the seasonally adjusted index being 63.9 compared with 67.9.

External trade showed further expansion in September especially in exports. The gains over the same month of last year were $15,500,000 in exports and $3,700,000 in imports. A moderate increase in imports was shown over August after seasonal adjustment, while the gain in exports was nothing less than spectacular.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1933	1932	Cumulative Jan 1 to date 1933	1932
Transportation—				
Car loadings (Oct. 7)	31,196	28,885	1,504,805	1,679,654
C. P. R. gross earn. (Oct. 7)	$ 2,789,000	$ 3,168,000	$ 82,930,000	$ 92,171,000
C. N. R. gross earn. (Oct. 7)	$ 3,293,025	$ 3,730,284	$ 107,292,723	$ 118,489,614
	Monthly			
C. P. R. net earn. (Aug.)	$ 738,601	$ 697,206	$ 6,968,122	$ 6,808,793
C. N. R. net earn. (Aug.)	$ 1,007,031	$ ‡466,191	$ ‡1,151,485	$ 362,885
Iron and Steel—				
Pig iron, tons (August)	35,233	5,992	103,132	90,510
Steel, tons (August)	48,659	26,710	228,199	234,704
Automob. prod., No. (Aug.)	6,079	4,067	50,881	51,208
Auto Vihicles—				
Passenger, sales, No. (Aug.)	3,358	2,646	33,454	33,362
Trucks & buses, sales, No (August)	552	559	4,055	5,641
Auto. exports, No. (Aug.)	1,754	1,566	12,258	6,225
Construction—				
Building permits (Aug.)	$ 1,927,882	$ 3,823,251	$ 14,117,473	$ 32,576,464
Contracts (September)	$ 8,386,900	$ 9,646,500	$ 63,430,700	$ 109,636,300
Newsprint—				
Production, tons (Aug.)	194,262	157,919	1,268,833	1,304,657
Exports, tons (Sept.)	177,805	169,277	1,348,224	1,387,263
Sugar—				
Imports, raw, lbs. (August)	66,650,000	98,885,200	374,671,000	519,853,000
Melt. & ship., lbs.*	63,270,428	82,116,218	495,720,370	569,162,759
Manufactured, lbs.*	60,377,719	81,916,973	485,758,000	550,000,818
Flour—				
Production, bbls. (Aug.)	1,443,692	1,272,009	8,045,597	8,406,423
Wheat flour exp., bbls. (Sept.)	362,556	385,113	3,609,983	3,534,100
Other Industrial Indices—				
Lumbering: Plank & board exports, mil ft. (Sept.)	112.04	35.45	699.18	534.89
Boots and shoes, pr. (Aug.)	2,237,179	1,708,359	13,035,938	12,217,423
Petroleum imp., crude gal. (August)	116,310,000	89,780,000	497,847,889	644,967,131
Cotton, imp., raw, lbs. (August)	10,584,000	5,995,000	61,140,000	59,688,000
Rubber, raw, imp. lbs. (Aug.)	4,022,000	2,173,000	22,770,876	32,269,659
Coal, imports, tons (August)	1,294,410	1,198,210	6,464,597	6,643,542
Gasoline sales, gals (June)	48,802,000	51,253,000	198,508,000	213,058,000
Trade—				
Imports (Sept.)	$ 38,299,423	$ 34,504,129	$ 280,620,947	$ 318,789,473
Exports (Sept.)	$ 57,784,804	$ 42,186,815	$ 359,947,004	$ 348,622,430
Wheat exports, bus. (Sept.)	19,666,351	26,874,237	128,061,430	132,989,363
Labor—				
Employment Index (Sept.)	88.5	86.0	....	....
Electric Power—Output—				
M. Kilowatt hours (Aug.)	1,508,213	1,230,220	11,034,168	10,312,284
Electric Power—Output—				
Failures, No (July)	142	175	1,281	1,412
Failures, Liabilities (July)	$ 2,289,484	$ 2,986,840	$ 21,645,249	$ 24,208,290
Bank debits† (August)	$ 2,648,513	$ 2,115,675	$ 19,371,609	$ 16,828,259
Bond sales (Sept.)	$ 382,597	$ 73,191,947	$ 249,088,772	$ 271,504,753
Insurance sales (Aug.)	$ 27,263,000	$ 28,370,000	$ 235,736,000	$ 281,372,000
Automobile Financing—				
Used cars (August)	$ 901,829	$ 1,161,564	$ 7,726,229	$ 9,846,542
New cars (August)	$ 906,611	$ 1,023,137	$ 7,734,716	$ 10,068,652

*Four weeks period, Aug. 19 to Sept. 9. †(000's omitted). ‡Deficit.

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

Elmira Garment Co., Ltd., is the name of a new company which has been formed to manufacture work shirts, overalls and windbreakers in a portion of the Dominion Rubber Co.'s vacant plant at Elmira, Ont. Installation work has already started and operations will begin about the middle of November. About 30 persons, mainly women, will be employed.

S. H. Camp & Co., Ltd., Canadian subsidiary of S. H. Camp & Co., Jackson, Mich., manufacturers of braces and surgical supports, will shortly open an assembly plant at Windsor, Ont. About 15 or 20 girls will be employed.

Fort Garry Cheese Co. commenced operations in Winnipeg at the beginning of October. Several kinds of cream for domestic use will be manufactured.

Wettlaufer Machine Co. has purchased a manufacturing plant in Sarnia and will shortly commence operations, it is stated.

Savrogan Co. of Canada, Ltd., has been formed to manufacture and distribute a line of painting accessories formerly brought in from the United States. Manufacturing operations are taking place in the Toronto plant of Aulcraft Paints, Ltd., with which concern the new company is affiliated.

Courtaulds Canada, Ltd., has announced that it will commence immediately the construction of a $2,500,000 addition to its Cornwall plant. It is stated that contracts for the work have already been let. The addition will take the form of a new factory of 500 by 150 feet and will house 32 machines bringing the Cornwall total to 100. It is expected that work will be completed next spring and that 400 additional persons will then be employed.

Halifax Port Traffic Maintained in September

From Our Own Correspondent

MONTREAL. — Halifax Harbor Commissioners report that 498 vessels entered and cleared the Port of Halifax during September. This compares with 446 and 583 in September of 1932 and 1931, respectively. The net registered tonnage is reported at 688,572 as against 648,630 tons for the same month last year.

Since the beginning of the current year 4,178 vessels have entered and cleared at Halifax. During the same nine months period of 1932, 4,137 vessels were recorded.

The total cargo tonnage handled inward and outward last month is reported at 127,813 tons compared to 119,352 tons for September, 1932. For the first nine months of the current year cargo tonnage handled at the Port totalled 1,186,581 tons, as against 1,159,449 tons for 1932 and 1,198,220 tons for 1931.

Asbestos Shipments Up; Demand Grows Larger

From Our Own Correspondent

MONTREAL.—Shipments of asbestos from the Thetford Mines area in September totalled 8,247 tons, compared with 5,580 tons for the same month last year. Shipments in August last amounted to 7,384 tons.

There has been a marked improvement in the demand of late for asbestos and it is expected that shipments will be large until the close of navigation.

Lumber Outlook Brighter

The outlook for the lumbering industry in Nova Scotia this winter is distinctly bright. Over 600 mills will likely be operating with an aggregate employment of about 3,000 persons.

Commodity Prices

	Week ending Oct. 14	Previous week	Same week last yr.
Cattle, cwt.§	$5.00	$4.50	$6.00
Copper, lb.	.08	.09	.06¼
Cotton, lb.	.0940	.0950	.0650
Rubber, lb.	.0753	.0790	.0340
Sugar, raw, lb.	.0337	.0353	.0317
Silk, lb.	1.62½	1.70	1.75
Wheat (Man.) bu.°	.54⅞	.60¼	.48¼
Hides, lb.	.10	.10½	.07
Coffee, lb.	.07⅝	.07½	.08¾
Weekly Indices			
N. Y. Annalist‡	105.5	105.9	90.8
Fishers'	♦72.2	71.1	†62.0
N. Y. Journal of Comm.■	70.6	71.4	58.7
Crumps (Brit.)*	63.8	64.1	†62.4
Canada (D.B.S.)▲	85.7	86.7	....
U. S. Labor▲	71.3	71.1	....

†Average, 1932. ‡Week to Oct. 10. *Week to Oct. 7. ▲Oct. 7. ♦Oct. 14. §Oct. 12. °Oct. 16. ■Oct. 14.

Monthly Indices

	Latest w'sale	Prev. month	Same month last year
Canada (D.B.S.) (September)	68.9	69.4	65.9
Retail (Sept.)	78.2	78.6	81.4
U. S. Labor (Aug.)	69.5	68.9	65.2
Gt Brit. (August)	69.2	69.0	67.1

§ Basis of price quotations is as follows: cattle — steers, good, over 1,050 lbs., top price, Toronto: copper — electrolytic, New York; silk — Japanese, 13-15, New York; sugar—96 degrees centrifugal c/f New York; wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee—Rio, No. 7, spot, New York.

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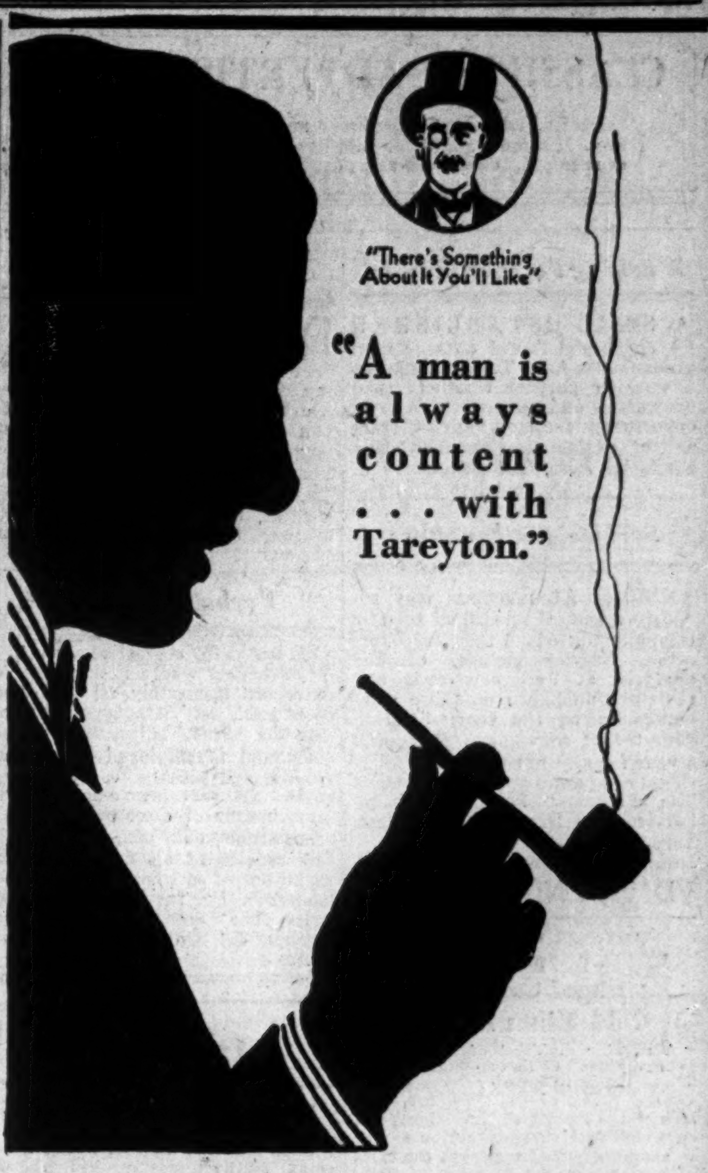

"A man is always content . . . with Tareyton."

HERBERT TAREYTON HT-4
LONDON SMOKING MIXTURE

Another Turner Valley Well

One more well has added to the busy south end group at Turner Valley the other day when Spooner-Anaconda was spudded in. Drilling is now beyond the 125-foot level, cable tools being used. Conditions in the Valley oil fields continue favorable and all wells drilling are making good progress.

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DIVIDEND NOTICES

DIVIDEND NUMBER 246
EXTRA DIVIDEND NUMBER 7

Hollinger Consolidated Gold Mines Limited

A regular dividend of 1%, and an extra dividend of like amount, making 2% in all, have been declared on the Capital Stock of the Company, payable on the 4th day of November, 1933, on which date cheques will be mailed to shareholders of record at the close of business on the 20th day of October, 1933.

Dated the 13th day of October, 1933.

I. McIVOR,
Assistant-Treasurer.

Mercury Oils, Limited

NOTICE
To Shareholders

Notice is hereby given that a dividend of four cents per share has been declared upon the Common shares of the Company, issued and outstanding, payable on January 2nd, A. D. 1934, to shareholders of record at the close of business on Thursday, November 30th, A. D. 1933.

The transfer books of the Company will be closed at 5 p.m. on Thursday, November 30th, A. D. 1933, and will be reopened on Saturday, December 30th, A. D. 1933.

By Order of the Board of Directors,

CHAS. BIGGS,
Secretary.

Transfer Office,
300 Lancaster Building,
Calgary.

McIntyre Porcupine Mines, Limited

(No Personal Liability)

DIVIDEND NO. 60

Notice is hereby given that a dividend of five per cent (5%), plus an extra dividend of two and one-half per cent (2½%), plus a bonus of two and one-half per cent (2½%), on the Company's Capital Stock, will be paid in New York funds on December 1, 1933, to shareholders of record at the close of business on November 1, 1933, free of any tax payable at the source under the Canadian Income War Tax Act.

By Order of the Board.

BALMER NEILLY,
Treasurer.

Dated at Toronto, October 12, 1933.

The Royal Bank of Canada

DIVIDEND NO. 185.

NOTICE is hereby given that a dividend of two per cent. (being at the rate of eight per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Friday, the first day of December next, to shareholders of record at the close of business on the 31st day of October, 1933.

By order of the Board.

M. W. WILSON,
General Manager.

Montreal, Que., October 17, 1933.

The Shawinigan Water and Power Company

Notice is hereby given that a dividend of twelve (12c) cents per share has been declared on the no par value common shares of the Company for the quarter ended September 30th, payable November 15th, to shareholders of record October 25th, 1933.

By Order of the Board,

JAMES WILSON,
Secretary.

Montreal, October 17, 1933.

NOTICE

NOTICE

To Canadian Policyholders of the Alliance Casualty Company, Philadelphia, Pennsylvania, U. S. A.

On June 1, 1933, the Alliance Casualty Company, Philadelphia, Pennsylvania, U. S. A., reinsured, with the Indemnity Insurance Company of North America, Philadelphia, Pennsylvania, U. S. A., all of its unexpired policies, outstanding obligations and liabilities. On Feb. 3rd, 1934, application will be made to the Minister of Finance for the release of its securities deposited and now held by the Receiver General and any Canadian Policyholders opposing such release should file their opposition with the Minister of Finance on or before that date.

ALLIANCE CASUALTY COMPANY,

FRANK A. EGER,
Secretary.

Obituary

Frank G. Daniels, president and managing director of Dominion Textile Co. and long a power in the Canadian textile industry, has passed away after a lingering illness. Though a comparatively young man at the time of his death, Frank Daniels had been the dominant figure in the industry for more than a decade. Known as an extraordinarily shrewd cotton buyer and a first class operating man, he also had more to do with the formation of the industry's policies than possibly any other man in the last 10 or 15 years.

Frank Daniels was born in Montreal in 1874, the son of William Francis and Mary (Crawford) Daniels. He was educated at the McGill Normal School, and as a young man entered the service of the Canadian Pacific Railway in the car service department in 1890. In 1893 he went to Quebec to take charge of the office of the Montmorency Cotton Manufacturing Co. From 1897 to 1907 he was assistant manager of that company, and from 1907 until 1909 he occupied the position of manager. In 1909 he was appointed general manager of the Dominion Textile Co. Shortly after the war he became managing director, and in 1928 he was appointed president and managing director.

He was also vice-president of the Brinton Carpet Co., Peterborough, Ont.; president of the Paton Manufacturing Co.; director of Montreal Cottons; director, Dominion Glass Co.; director, Crown Trust Co.; director, Consolidated Paper Corp.; director, the Canadian Consolidated Felt Co.

Arthur D. Miles, B.Ph., president of Central Manitoba Mines, and long associated with Canadian mining activities died in his 60th year of a heart attack aboard a C. P. R. train en route from Winnipeg to Toronto on October 17.

Mr. Miles was born in Pennsylvania and was a graduate of Yale University, where he became an instructor in chemistry, geology and mineralogy. After spending several years on the Pacific coast he came to Copper Cliff, Ont., and was identified with the International Nickel Co., later becoming managing director of the company. He was also a former president of the Ontario Mining Association.

More recently he had been Canadian representative of John Taylor & Sons, of London, England, and it was through this connection that he was elected president of Central Manitoba Mines this summer.

Mr. Miles became a naturalized Canadian and for many years Toronto was his home.

PLEDGE TO INDUSTRY REGINA MEETING

Saskatchewan Tories Pass High-Sounding Resolutions

From Our Own Correspondent

REGINA.—Saskatchewan Conservatives who in convention re-elected Premier Anderson as active party leader, also passed resolutions concerning industry.

They read that the party pledges to direct its energies toward a balanced industrial development with agriculture, of such secondary industries as can be profitably established in this province, with special reference to mining, pulp lumber and such like. The pledge also included coal-fields.

Encouragement should also be given to co-operative enterprises, such as mills, abattoirs, packing and cold storage warehouses among others, to the end that products of the farm and livestock industries may be prepared as far as possible for sale to the ultimate consumer.

The taxation plank provided for reduction of taxes to a minimum by Governmental economy and co-operation with all public bodies spending public money; consolidation of arrears of taxes and the spreading of payment over a long payment; setting up of a tax equalization fund to assist newer municipalities contributed to possibly by a corporation tax, and the taxation of luxuries rather than necessities.

SHAWINIGAN SETS HIGHER STANDARD CURRENT INCOME

Third Quarter Moves Ahead of Last Year — Earn 94 Cents to Date

From Our Own Correspondent

MONTREAL. — Net income of Shawinigan Water and Power Co., after all senior charges but before depreciation and taxes, was on a larger scale in the third quarter of 1933 than was the case in the same three months of 1932. For the nine months period, however, income is still somewhat under that for last year, though the spread has been lessened as a result of returns for the third quarter.

For the three months ended September there was an increase of 8.94 per cent in the amount of power generated and sold. This is reflected in gross income which amounted to $3,096,557, compared with $2,986,540 in the previous quarter and with $3,079,109 for the third quarter in 1932.

Smaller Premium on Funds

Another encouraging factor in the interim account is the sharp decline in the premium paid on the purchase of United States funds to meet interest payments on funded debt. The premium paid in the third quarter this year totalled $47,884 as against $131,756 in the second quarter and with $153,562 in the third quarter of 1932.

Statement of earnings and expenses for the three months ended September 30 last, the previous quarter and the third quarter of 1932, follows:

	Quarter Ended Sept. 30 1933	June 30 1933	Sept. 30 1932
	$	$	$
Gross rev.	3,096,557	2,986,540	3,079,109
Gen. exp.	551,562	532,187	509,841
Power pur	388,731	418,621	386,550
Water rentals	81,517	76,154	80,301
Taxes ins	167,039	169,140	159,620
U. S. exch.	47,884	131,756	153,652
Net rev.	1,859,822	1,658,681	1,790,143
Fixed chgs.	1,028,296	1,028,296	1,022,648
*Balance	831,526	630,384	767,495

Note: * Surplus before depreciation and income tax.

Making Up Leeway

Figures for the nine months of the current year show that Shawinigan is gradually overcoming the losses experienced in the half year. Share earnings for the January-September period of 1933, without allowing for depreciation, amounted to 94 cents compared with $1.10 for the same nine months of 1933.

During this period gross income amounted to $9,084,299 as against $9,442,285 for the same period in 1932. Operating expenses show a small decline due to the smaller premium paid on American funds, leaving net earnings at $5,139,550 compared with $5,467,113 in 1932. Fixed charges were slightly higher, making net profit for the first nine months of this year $2,054,856. This compares with $2,438,068 in the same months of 1932.

Comparative figures for the nine months revenue statement of 1933 and 1932 follow.

First Nine Months	1933	1932
	$	$
Gross revenue	9,084,299	9,442,285
Less: Gen. exp.	1,610,016	
Power purch.	1,248,956	
Water rentals	248,929	3,975,172
Taxes & ins.	508,460	
U. S. exch.	333,888	
Net earnings	5,139,550	5,467,113
Less: Fixed chgs. ...	3,084,694	3,029,045
Net profit	*2,054,856	*2,438,068

*Before depreciation and income tax.

Comments on Results

In his comments to shareholders on results in the third quarter, Julian C. Smith had the following to say in a letter dispatched to shareholders:

"The power output of the company for the third quarter of the year shows an improvement over the second quarter. The total amount generated and sold for the three months ended September 30, 1933, aggregated 1,010,308,199 kw.h. against 927,416,653 kw.h. for the three months ended June 30, 1933, an increase of 8.94 per cent. This increase is largely due to the fact that a greater amount of primary power was sold during the period under review. There has also been a slight improvement in the secondary power load. As a result gross revenue has increased. During the same period expenses have been considerably reduced, principally owing to the lower cost of U. S. exchange on bond interest."

Cariboo Gold Quartz Mining—The sixth gold brick has been shipped to the mint since production was started January 2, 1933. This brick is valued at about $43,100, bringing the total production to date to about $193,000.

Coke Price Drops Around Montreal

By Staff Editor

MONTREAL. — While a brilliant array of legal talent debates whether or not a coal combine exists in this country, one tangible result of the recent enquiry into fuel prices and costs appears to have developed in the price of coke in this city.

Coke which, before the enquiry, retailed in Montreal at from $12 to $12.50 a ton, is now reported to be selling at $10 to $10.25—a direct cut of $2 a ton or more than 15 per cent.

Whatever the reason for the cut, consumers are getting the benefit for the time being, at least.

NOTICE

To the holders of bonds of

UNITED BOND COMPANY, LIMITED

LATE FISCAL AGENTS FOR
Wellington Building Corporation Limited, Loan W 71.
Staveley Apartments (John and Hannah Lucas), Loan W-63.
Wigle Block (Lewis Wigle), Loan W-74.

First Mortgage 6½% Serial Gold Bonds

Notice is hereby given that the date up to which deposit of the above bonds may be made under the terms of the deposit agreements, having reference to the above-mentioned bond issues, dated respectively August 10, 1933, has been extended to November 30, 1933.

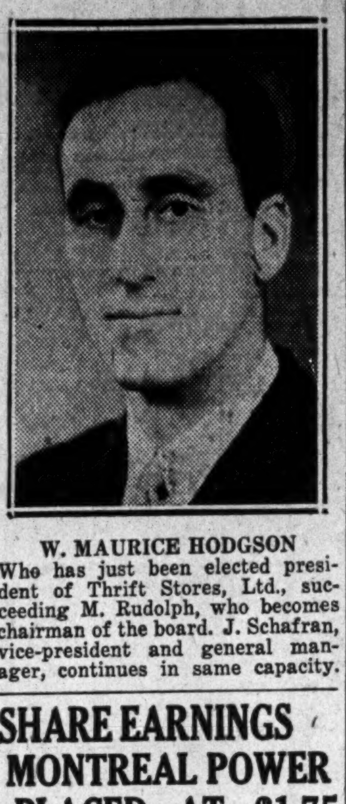
Each committee is formed and operates solely for the purpose of protecting the bondholders' interests. Bondholders who have not done so are urged to support and strengthen their own organization by the prompt deposit of bonds.

Bondholders of Wellington Building Corporation, Limited, Loan W-71, who have not cashed coupons No. 4 and No. 5, which matured July 5, 1930, and January 5, 1931, may communicate with the secretary of the committee, or with the receiver and manager, The London & Western Trusts Company, Limited, to secure payment thereof.

Dated Oct. 12, 1933
Bondholders' Protective Committee
H. S. Black, Sec'y.
Suite 205—104 Sparks Street,
Ottawa, Ontario.

Depositary
The London & Western Trusts Company, Limited.

New President



W. MAURICE HODGSON
Who has just been elected president of Thrift Stores, Ltd., succeeding M. Rudolph, who becomes chairman of the board. J. Schafran, vice-president and general manager, continues in same capacity.

SHARE EARNINGS MONTREAL POWER PLACED AT $1.75

Norris Estimates at Least 25-Cent Margin Over Dividends

From Our Own Correspondent

MONTREAL. — Common share earnings of Montreal Light, Heat and Power Consolidated for 1933 are likely to be in the neighborhood of $1.75 a share, as compared with dividend requirements of $1.50, according to a preliminary estimate made by John S. Norris, president of the company. Last year the company earned $1.95 a share.

Operations during the first eight months of the current year resulted in a moderate decline in net earnings. There was a pick-up in income in September so that the returns for the nine months period are reported by the company to compare not unfavorably with the same period last year.

A Limit to Expenditures

The company has endeavored to curtail expenditures as much as possible to meet the decline in gross, but the entrance of certain uncontrollable expenditures this year, including disbursements on Beauharnois contract, has resulted in expenses not being cut as much as they otherwise would have been.

Returns for last month are reported to have shown a considerable improvement over August and comparing well with September last year. This gain is largely seasonal as far as the comparison with August is concerned. October results will tell largely whether or not the company has checked the declines noted for many months past.

C. H. Carlisle New President of Can. Bread

At a meeting of the new board of directors of Canada Bread Co., C. H. Carlisle was appointed president, J. H. McConnell, vice-president and C. W. Band second vice-president. Dr. McConnell with R. S. Waldie, represents the first preferred shareholders, Mr. Carlisle the second preference Class B shareholders and the other directors the common shareholders.

C. H. Carlisle, the new president chosen for Canada Bread Co., has shown outstanding genius as an executive in building up from next to nothing the huge and solidly established business of Goodyear Tire & Rubber Co. of Canada. The bread business is new to him but the bankers responsible for his appointment believe that his broad experience with company management and proved success in initiating and maintaining sound, constructive policies will be assets to Canada Bread Co., and to all those who have interests in its success. He is president of Goodyear Tire & Rubber Co. of Canada and a director of the Dominion Bank.

Dr. J. H. McConnell, first vice-president and C. W. Band, second vice-president, are old members of the board. They will be aided by C. B. Shields, vice-president of Loblaw Groceterias Co., an expert in merchandising, A. V. Loftus, who has been general manager for several years and who gets a voice on the board for the first time, R. S. Waldie, of the Maple Leaf Milling Co. board, and H. J. Symington, K.C., of the Maple Leaf Milling Co. board, who has also been on the Canada Bread board. C. W. Band is president of Maple Leaf Milling Co.

There was a change of auditors at the annual meeting, Clarkson, Gordon and Dilworth being chosen for the active work expected in the coming year.

Canada Bud Director Indicates Sales Down

Reporting business of Canada Bud Breweries Ltd. as having been fairly satisfactory in the nine months ended September 30 in view of prevailing conditions, Charles E. Kiewel, managing director of Canada Bud Breweries Ltd., points out that total beer sales in Ontario show a decrease of 25 per cent since 1931. Decreases have also been registered in other provinces. In his letter to shareholders, which accompanied dividend cheques, Mr. Kiewel points out that volume of business of the company must be affected by the general trend and that percentage decrease in profits will be greater than the percentage decrease in sales.

On account of the high duty imposed on beer entering the United States Canadian breweries have found it unprofitable to compete in that field.

A less cumbersome distribution of beer than is now in effect in Ontario would be of benefit to consumers, shareholders and the brewing industry in general but it is difficult to predict how much additional business changes in present Ontario regulations would bring about.

McMillan Gold Mines—Shaft sinking has been completed to the immediate objective of 625 ft. A new vein was cut in the shaft at a depth of 600 ft. where it showed a width of seven ft.

PLANS TO CUT U. S. A. DOLLAR TO 65c OF GOLD

Washington Service Sees Inflation of Credit, Not Currency

Roosevelt administration in the United States has decided to devaluate the dollar in terms of gold, to inflate credit, and not to inflate the currency, according to Whaley-Eaton Service, Washington. This means freezing the American dollar at its present level of about 65 cents in terms of gold francs. If the United States does this, it will probably mean that Canada will ultimately have to do something similar because of our close economic association with the United States, judging from the opinions of economists.

This devaluation of the U. S. dollar is not expected to be announced before December 1, and probably somewhat later, according to this service. If it occurs and Canada later follows the lead, a statutory price of over $30 an ounce for gold would result. Thus, Canadian gold mines would be assured of their present substantial premium on production.

Canadian's View

Although some sort of currency stabilization is apparently being planned in the United States, one shrewd Canadian observer recently told The Financial Post that he expects Americans to be talking inflation again within a few weeks. The recent slump in prices and in business activity in the United States is interpreted as a natural reaction to the largely psychological and partly real inflation of last summer. Lest announcement of devaluation deflate prices further, the announcement is reported to be sub rosa until after crop marketing is finished. Even December may not suit, it is intimated, and the announcement of policy may be withheld until spring.

Pending the actual announcement, it is suggested that control of the dollar in terms of the franc will be exercised. Close observation of foreign exchange figures will confirm or negate this.

Credit Inflation

The Roosevelt administration draws a sharp line between currency and credit inflation, the Washington Service states. Since the money most used in the United States is in form of cheques, it is hoped to raise prices through the credit system by the devaluation. That is, a broader basis for credit would be created. Paradoxically of this, some economists argue that the credit-cheque system means that currency devaluation through gold will not raise prices. Washington is also reported to desire to increase the velocity of credit money as well as the basis for its creation.

Decision on money is reported allied to last week's calling of $1,800,000,000 of 4¼ per cent Liberty bonds for conversion. It is suggested that the amount of the conversion was kept within the limits of President Roosevelt's $3,000,000,000 currency inflation powers to coerce holders into accepting the offer lest money be printed to redeem bonds. Also that most of the entire issue of some $6,000,000,000 may be converted anyway, if holders accept the privilege of exchange into new bonds which is being offered.

Conservative Victory

A victory for the orthodox financial advisers of the American president is seen in the devaluation decision. Dr. O. M. W. Sprague, formerly of Harvard, Imperial University, Tokyo, and the Bank of England, heads the more conservative presidential advisers, who are reported to have marshalled every force available in the currency fight behind the scenes at Washington. Their argument was that the conversion of Liberty bonds entailed a moral obligation to maintain a sound dollar without currency inflation.

Nevertheless it is stated that the decision on dollar devaluation relates solely to the method of inflation, not to inflation itself. None of Roosevelt's experts deny the need for higher commodity prices, it is reported. The scheme is to inflate through the credit system and cheque-money, and the programme can be considered a failure if it does not bring higher prices, according to Whaley-Eaton.

Politically, the White House is stated to see justification of the plan in the sound money resolutions recently passed by the American Federation of Labor and the American Legion at their conventions. These resolutions should enable the administration to keep Congress from trying to seize inflationary powers itself, it is thought.

Repatriation of Funds

It is feared that there may be a rush of expatriated money back to the United States if and when devaluation and stabilization is announced. This might cause the dollar to rise rapidly (and sterling and francs to slump) and get beyond control. If devaluation is announced, but for a future date, such transfers of funds may be postponed until the event occurs, it is thought.

Misgivings are expressed as to whether the programme can be carried out if there is marked deterioration in the general economic position. If gold devaluation of the dollar does not raise commodity prices, a lower level may have to be tried, is the report. In this can be seen exhaustion of the tonic of inflation. Stabilization rumors have deadened the recovery; invariably the case in inflations, economists have stated. Now a decision is allegedly made which will mean sound money on a devalued basis. Can the citizens and the Congress of the United States be patient and await the result? If not, then further inflation is suggested. This could go on until financial chaos resulted. Washington has apparently decided to take the bull by the horns and stabilize. The question now seems to be: can the beast be held down?

Railway Earnings

Week end. Oct. 14:	1933	1932	Decrease
	$	$	$
C. P. R.	2,794,000	2,810,000	16,000
C. N. R.	3,107,950	3,381,187	273,237

New Siscoe Director

PAUL RANGER, K.C.
Who has been made a director of Siscoe Gold Mines to succeed John Knox, resigned. Mr. Ranger is a Montreal barrister, associated with Pierre F. Casgrain, K.C., M.P.

DOMINION STEEL COAL BUSINESS SETS NEW MARK

St. Lawrence Shipments Up 300,000 Tons by Mid October

From Our Own Correspondent

MONTREAL. — Dominion Steel and Coal Corp. will continue full capacity operations of the mines until the close of navigation on the St. Lawrence, due to increased orders for coal. At present the company is shipping 100,000 tons a week, employing 18 vessels.

The improvement in operations over last year is most marked, according to Sir Newton Moore, president of the company, who points out that the increase in shipments up to the middle of October was about 300,000 tons. This year to date it is estimated that 2,000,000 tons of coal have been shipped up the St. Lawrence River from Sydney.

Government assistance through subventions has been largely responsible for carrying the industry so far along during the critical period through which it has been passing, says Sir Newton.

The company's steel division has also improved its operations, according to the president, who states that operations at present are on a much higher scale than for some months previously. It is anticipated that the present rate of production will be continued until the turn of the year.

Promoted

R. N. FELLOWS
Who has been appointed vice-president and general sales manager of Addressograph Co. with headquarters at Cleveland, O. Mr. Fellows has been in Toronto as vice-president and general manager of Addressograph-Multigraph of Canada since 1929. He was one of the organizers of the Canadian Business Equipment Manufacturers' Association

TORONTO SPENDINGS EXCEED RECEIPTS

First 9 Months Show City Collected $26,123,286, Spent $28,532,791

City of Toronto spent $28,532,791 in the first nine months of this year out of a levy of $38,022,046. Of the expenditures, $16,290,941 was general; $7,905,425 for education and $4,336,425 for special services, including debt charges.

Tax collections on the current year's levy amounted to $26,123,286 to Oct. 7, or 71.8 per cent of the 1933 levy, the only comparable figure available. So the city spent more than it collected in the nine months. Up to Aug. 19, $4,611,199 of 1932 arrears had been collected.

Dr. Horace L. Brittain, of the Bureau of Municipal Research recently warned Toronto city councillors to spend only what is collected. He anticipated that total arrears on account of 1933 and previous years would total $12,000,000 at the end of this year. This has not been denied by civic officials. Total taxes uncollected were $8,080,462 at the end of 1931 and $10,134,166 in 1932. The first two installments collected in 1933 showed $2,000,000 less revenue than in 1932.

In dealing with Dr. Brittain's letter, George Wilson, finance commissioner of Toronto, stated that "to invoke the Municipal Act as suggested (by Dr. Brittain) would simply mean the suspension of one or another of the civic services, an unthinkable proposition."

WAITE-AMULET SHARES READY

Shareholders of W. A. M. Mines Can Now Get New Stock

Shareholders of Waite-Amulet Mines are advised that certificates of the company are now ready for distribution to shareholders of Waite-Ackerman-Montgomery Mines. The Chartered Trust & Guarantee Co. is acting as transfer agents.

At a directors meeting on August 2, 1933, which was confirmed at a shareholders' meeting on August 29, arrangements were made to increase the capitalization of Waite-Ackerman-Montgomery Mines from 2,000,000 no par value shares to 3,000,000 like shares in order to take over the Amulet Mines Ltd. At the same time the name of the company was changed to the present under supplementary letters patent dated September 11. Waite-Ackerman-Montgomery shares will be exchanged for shares in the present company on a share for share basis, while the shares in Amulet Mines will be exchanged on the basis of one new share for each three shares held.

Horseshoe Mines Strikes High Grade Ore in Winze

Good values have been encountered in sinking the winze from the lowest level at the Horseshoe Mines, according to official information. At a depth of 17 ft. a channel sample in the north wall of the winze gave an assay of $40.80 per ton in gold over a width of 40 inches while in the south wall 24 inches gave an assay of $39.60.

The winze is following the vein and at last reports was at a depth of 28 ft.

Bruck Silk Mills Expect Larger Income

From Our Own Correspondent

MONTREAL. — Net earnings of Bruck Silk Mills for the year ended October 31 next will be well in excess of those reported last year, according to I. I. Bruck, president of the company. Mr. Bruck also is quoted as saying that the forthcoming financial report will show the company as having no bank loans; a cut in funded debt; larger investments and improvement in net working capital. During the current year the company's manufacturing facilities have been increased, capital expenditure in this connection being taken care of out of earnings.

Many New Industries Locate in Saskatchewan

From Our Own Correspondent

REGINA.—The department of railways, labor and industry for the province in a bulletin states there are signs that industry in the province, generally, is assuming a more healthy tone. A survey shows that in 1932 there were 240 new industries added to the business life of the province.

WHEN REMITTING SEND CANADIAN NATIONAL EXPRESS MONEY ORDERS

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"Sell 'em Ben" And U.S. Cohorts Are Visiting B.C.

From Our Own Correspondent

VANCOUVER. — "Sell 'em Ben Smith," noted Wall Street operator and specialist in gold mining stocks, who is generally credited with being the power behind the forward drive of Bridge River issues, is back in British Columbia this time accompanied by C. C. Conway, chairman of the board of Continental Can Co., and Gene Tunney, former champion pugilist, who is now turning his attention to mining securities. Mr. Smith expected to be joined shortly by Percy Rockefeller, and the party then planned a tour of inspection of the Bridge River and other gold mining areas of British Columbia, accompanied by Col. Victor Spencer and other mining men.

Mr. Smith is still bullish regarding British Columbia's mines. "The gold industry here is still in its infancy," he said. "Pioneer has not yet begun to show its real worth, even though its performance already has been amazing. I expect still higher prices for gold in world markets."

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..just off the Press

THE series of eleven articles on Wills and Estates just concluded in The Financial Post have now been reprinted in book form, bearing the title,

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This new book tells in simple, non-technical language the points to be considered in making a will and includes useful discussions on Succession Duties and Trusts.

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Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

International Pete

What are the prospects for International Petroleum common stock? I have some and can hold if the long view is good.

International Petroleum's output from Peru was increased for the first time in August. There has been no change in its output from Colombia as yet. This company does not publish an income statement or a balance sheet, its figures having to be interpreted from those of its parent company, Imperial Oil.

The writing of an oil code in the United States and a stricter pressure with the help of the Federal Government on the producing areas so that the production has been limited for some weeks past to the rate of consumption has resulted in a stiffening of prices which dropped at one time down to 10 cents and 5 cents a barrel in the East Texas field. Prices are now verging on $1 a barrel in some fields.

International Petroleum's prices for crude are lined up with the mid-continent posted prices, and this increase must have been of benefit to it. So long as it is able to maintain volume or to increase it the general expectation would be that the company is making more money. There is the possibility that there will be strong pressure on Washington to limit imports into United States. So far the United States interests which have heavy interests outside of the United States have resisted that.

Canada Steamships

I hold a few shares of Canada Steamship Lines preferred stock and am anxious to have an opinion as to the prospects of the company. Any information you can let me have will be greatly appreciated.

Canada Steamship Lines' progress in the last few years has not been satisfactory and recently the company was unable to meet interest on its general mortgage bonds A bondholders' protective committee has been formed and is now investigating the position of the company. It is likely that this committee will suggest some plan for the rehabilitation of the company, and, in such an event, it is possible that sacrifices may have to be made by the common and preferred stockholders. At this time it is out of the question for us to give you an opinion on the matter, but as soon as definite information is available, the whole situation will be fully covered in The Financial Post.

Paramount and Adanac

Will you please give what information you can on Paramount-Publix and Adanac Brewing?

As Paramount-Publix is now operating under a receivership in bankruptcy and as court cases have been started by certain interests, there is little use discussing its investment position until it can work clear of its most pressing liabilities and get out of bankruptcy again. This may entail a reorganization plan, but it is far too soon to guess what it would be.

With reference to Adanac Brewing Company, brewers and maltsters, this company has a plant at Regina with a production capacity of 100 barrels a day. Dr. E. A. McCusker at last reports to The Financial Post was president and R. G. Waddell, manager. It had outstanding $250,000 of $25 par value 8% cumulative preferred stock and 30,000 no par value common shares. No dividends are being paid and the company has no funded debt.

As the company has not been making public its financial statement no further information can be given.

Bell Telephone

Will you be good enough to let me know the current position of the Bell Telephone Co. of Canada and prospects for continuation of the present dividend?

Declining use of telephone has adversely affected the earning power of the Bell Telephone Co. of Canada in the last few years. In 1932 income was not sufficient to enable the company to maintain the old dividend rate of $8. The distribution on the capital stock was reduced to bring it in line with current earning power.

Since the beginning of the year the number of station withdrawals has been checked and we are informed that income for 1933 will be sufficient to permit the company to maintain the present dividend. It is a difficult matter to forecast what is likely to happen these days, but as far as the Bell Telephone is concerned, those close to the company say they do not see any reason why the company will not be able to maintain the present dividend rate on the common stock.

Brewing Corp.

Please give me your opinion as to prospects for Brewing Corporations, common stock. I am the holder of 50 shares bought at $9. What would you consider the chance of disposing of same without too heavy a loss or should I hold same for future advances?

Brewing Corporations of Canada is a holding company for subsidiaries engaged in the brewing of lagers, ales and stouts and the manufacture of soft drink beverages. It has ten breweries in Montreal, Ottawa, Toronto, St. Catharines, Hamilton, Waterloo, Windsor, London, Belleville, Ontario and Winnipeg, Manitoba.

Working capital of the company has shrunk in the last three years. The principal reason for this has been the necessity of making large payments to the federal government in part settlement of tax claims on export shipments in prior years. A great many of these were in dispute at the time of the acquisition of the subsidiaries concerned. More than $200,000 has been paid in the federal government on account of these arrears in addition to more than $5,000,000 paid to the federal and provincial governments for current taxes during the same period. The company also issued $600,000 of 5% notes in payment for the controlling interest of an important subsidiary. During the last two years 25% of the principal of these notes has been retired.

The company has been successful in reducing its bank loans from $700,000 to $392,000, but the effect of all these operations together has depleted working capital. The company has been given the right by shareholders to borrow money from other than bankers.

Continually declining sales for the last three years because of lower purchasing power of the public are reported by the president, E. P. Taylor.

The first real test as to whether the merger will prove beneficial or not to the company by various savings during the time of active business will be when purchasing power of the general public is higher. At present the market is inactive, awaiting demonstrated success of the merger from a financial and earnings point of view.

Western Steel

I hold a few shares of stock in Western Steel Products. I have heard nothing about this company for some time and would appreciate any information you may have upon its present position.

There have been no changes of importance in connection with the affairs of Western Steel Products. We recently received a communication from the trustee along these lines and, for that reason, he said that there was no necessity of sending out a notice to the creditors telling of the company's progress. Efforts are being made to place the company on a sound financial footing, but business conditions generally have held back progress.

Brewers & Distillers

We would appreciate it if you would give us your opinion on stock of Brewers and Distillers of Vancouver, as a buy.

Brewers and Distillers of Vancouver has outstanding 5,777,478 no par value common shares. No dividends have been paid since 1929, before that period 15 cents a share was paid for two years, and in 1927 25 cents a share. In recent years the company has earned 15 cents a share except in 1931.

Present market interest has been aroused because of the possibilities of the company in connection with the swift movement in the United States toward ending prohibition. It is thought that this will, for some years at least, cause a pretty heavy demand from Canada for aged whiskies especially. Provincial liquor commissions are paying less to Brewers and Distillers than they did, and in the last report it is stated that only rigid economies enabled the company to show a profit.

The company evidently has good direction and its chief hope for increased profit is in United States demand. By aid of rectification that demand may be satisfied sooner than expected.

Graphic Publishers

I have ten units of Graphic Publishers. What is this worth or what condition is the firm in?

There is no value to your units of Graphic Publishers. The firm went into bankruptcy.

Ten Times Earnings Rule

Generally speaking is 8 or 10 times earnings considered a reasonable price to pay for a common stock, and at how many times earnings would a stock be much too high so that it should be sold?

At the present time the market price of many stocks is more than 10 times earnings and some for example, like International Nickel and Steel Co. of Canada must be selling around 20 times earnings and seem to hold their price. On what grounds are such prices for Nickel and Steel justified, or do you consider them too high and likely to drop more in line with earnings?

The rule that a stock market valuation of 10 times earnings may be considered reasonable applies to companies with pretty constant earnings. It is a rough and ready yardstick and the market valuation would sink to much less than 8 or 10 times earnings if investors get the idea that there is uncertainty as to continuance of earnings at the last rate shown by a financial statement

If, on the other hand, investors get the idea that there is a strong likelihood for any reason at all of earnings increasing in a marked manner they will be willing to pay much more than 10 times earnings. That is the case with International Nickel and with Steel Company of Canada mentioned by you.

Even when International Nickel is not earning a cent on its common stock there is a very strong body of opinion which believes that it will earn a great deal when business nationally and internationally is running on an even keel again.

Similarly, with Steel Company of Canada, when business is low and intended construction at very low totals, earnings may even entirely disappear. Those who have seen several such periods during the history of Canada believe that sooner or later there will come another period of prosperity in which this company will take its full share.

Another reason for public confidence is that during good times both these companies took measures to see that their liquid position would be strong. They are able to stand the gaff of hard times and similarly will be in an excellent position to take advantage of good times when they come.

In other words, a higher price than 10 times earnings in the case of companies like International Nickel and Steel Company of Canada is simply a measure of the faith of the investing community as a whole that the financial strength, able management and strategic positions of these companies will enable them to profit materially in a time of good business.

Corporate Steel

Have there been any new developments in connection with the bankruptcy of Corporate Steel products? Do you think the stock of this company will ever be worth anything?

There has been no change in the position of Corporate Steel Products. The trustee is endeavoring to straighten out the affairs of Western Steel Products, the main subsidiary, and recently stated there had been no particular developments of note. Prospects for the common stock of Corporate Steel Products do not hold much promise at the moment, but with a turn for the better in business conditions, the outlook may become more hopeful.

Brazil and Brazilian

We hold some South American bonds, Rio Grande do Sul, Dep't de Cundinamarca and San Paulo, due 1969, 1959 and 1968 respectively, and wish to ask if you would advise exchanging these for common stock of Brazilian Traction Co. None is paying interest or dividends at the present time, we know, and this is what we are mostly desiring, rather than appreciation in value, although that too is of course a consideration.

The suggested exchange of your Rio Grande do Sul, Department of Cundinamarca and San Paulo bonds for Brazilian Traction stock is largely an uncertain speculation. The ultimate results of the deal cannot be foretold. The question is largely one of world economic and financial conditions with particular reference to the exchange position of the South American nations.

The bonds which you mention will not appreciate much in value until they show signs of recommencing interest payments. This will only be possible when foreign exchange is available in sufficient quantities to allow the debtor governments to transfer their debt service into dollars. Colombia has already taken steps to recommence payments on its foreign debt. But this does not mean that the Department of Cundinamarca will do likewise at an early date. In Brazil it appears that it will be some time before service will be resumed on state and city debts abroad.

The hope of investors in South American securities is that the debtors will finally resume payments in anticipation of needing money from abroad. But it may be some time before this occurs. In the meantime a rise of commodity prices would substantially benefit the debtor governments, and might cause the bonds to rise rapidly.

In holding Brazilian Traction common stock you have just the same kind of speculation in the exchange of Brazil.

The chief commodity rise that would help Brazil would be an increase in the price of coffee. However, the company had one of the largest coffee crops in 1933, and this came on top of one of the largest office surpluses the world has ever met. The world's demand for some years could be supplied from Brazil alone. While crops were kept up by Brazil in previous years, other countries came into production and the prospect for increasing prices, therefore, is apparently somewhat uncertain. Brazil has tried to help the matter by burning inferior coffees held in store, and this will probably continue to be the policy. Next year's crop will probably be small and help out the situation.

Brazilian has done well from an operating standpoint. The whole matter is to get such a stable condition of affairs in Brazil that it will be able to ship the money out in order to pay dividends. That is not possible at the present time, or at least not feasible.

B. C. Power

I have been offered and am considering purchasing a few of the Class A shares of B. C. Power Corp. I believe that there is a good possibility of the dividend being reduced, but would like to know if the company is in a sound position before buying the stock.

The position of British Columbia Power Corp. does not differ widely from that of other utility companies. While the level of operations has been fairly well maintained, earning power has declined due to a variety of causes, namely, increased taxation, lower selling price of products, premium on purchase of United States funds to meet interest payments, etc. In the case of B. C. Power Corp., earnings available for distribution on that company's common stock dropped nearly $500,000 during the past fiscal year. This presupposes that the directors may take action to conserve the company's liquid resources and to that end will reduce the dividend on the Class A stock. There is nothing inherently wrong in the position of the company and if you are prepared to hold the stock, it should be able in time to re-establish its earning power.

Lloyd Refining Co.

Kindly give us your opinion of the Lloyd Refining Co. We understand they have purchased a property at Port Credit, and at present are building a plant. We believe they are offering preferred stock at $100, a share, with one share of common given as a bonus.

Would you recommend this as a purchase?

It is true that existing refinery capacity has been actively employed in 1933 so far as Eastern Canada is concerned. In Canada as a whole there is a large surplus of refinery capacity. Lloyd Refining Co. is a speculative undertaking of a type which in other cases has not secured marked success. The first consignment of crude to this company is reported to have been received.

Union Trust

Recently I noticed a sale of Union Trust Co. stock at $40 a share. Does this represent a true picture of the value of this stock or was it a distress sale? What is the position of this company?

There have been only 55 shares of Union Trust Company stock traded on the Toronto Stock Exchange in the current year, one sale of 25 shares having been at $40 per share on August 15, and the remainder in four small blocks at $30 in the latter part of September. There is not a wide market for the stock and the earnings of the company in the last two years have shown a downward trend that has not been conducive to stronger market prices.

Net earnings dropped from the peak of $133,738 in 1929 to $34,545 in 1932 and in the last fiscal year the company had a loss of $18,150 after paying taxes and dividends. As at December 31, 1931, the company had over $1,850,000 in mortgage loans and agreements for sale on real estate located in Alberta, Saskatchewan and Manitoba. Similar investments in Ontario totalled some $2,550,000. Losses on western investments have apparently been heavy and real estate held for sale increased from $159,491 in 1930 to $252,093 in 1931 and $336,529 at the end of 1932. The dividend January 3, 1933, was passed and no payments have been made since.

The company is incorporated in Ontario and provincial authorities do not seem to have any doubt that the company can survive the difficulties that it has met but losses on investments and reduced income naturally affect the position of the stock. This stock had an equity of $163.78 as at December 31, 1932, so that there would seem to be ample margin between the equity per share and the market value of the stock to absorb any reasonable losses.

International Power

Will you be good enough to let me have some current information on International Power Co. and its prospects for the future? Can you tell me when the annual report will be published, or if it has been published let me have a brief comment on the company's finances?

International Power Co. has not issued its financial statement for 1932 and until such is available, we are not in a position to provide you with an opinion on the company's condition. The information we have received on this company's operations over the past year have been very fragmentary and we would not care to make any comments until we have had an opportunity of going over the balance sheet and income account for the past year.

We are informed by officials of the company that the financial statement should be available some time this month. The delay in the issuance of the report is attributed to the time taken in securing the information from the subsidiaries, which, as you probably know, are spread over a wide area.

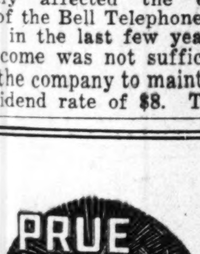
Supertest Pete

Please advise me of your opinion of Supertest Petroleum stock. I understand that their earning record was well maintained during the depression and that their earnings this year have increased considerably. What do you think?

We have been endeavoring to secure some recent information regarding operations of Supertest Petroleum Corp. and as far as we can ascertain, the company has maintained its position in the current year but we cannot say whether or not earnings have increased considerably during 1933 as your letter would suggest.

While the company was publicly financed in May, 1928, no formal balance sheet was issued until 1932 when a complete statement of assets and liabilities was shown as at December 31, 1931. The company has not published an income and surplus account but has indicated approximate sales and earnings. Sales have increased in every year since 1925 and during 1932 totalled approximately $3,900,000. Earnings reached a peak of $502,030 on sales of $3,615,276 in 1931 but dropped to $434,000 in 1932. The balance sheet as at December 31, 1932, indicates a good liquid position with cash and negotiable securities amounting to $253,749 out of total current assets of $637,712. Current liabilities totalled $397,121. The company had a surplus of $1,084,075 after writing off contracts, leases, organization and goodwill during 1932 which had previously been carried in the balance sheet at $362,819. As at December 31, 1932, the common and ordinary shares had an equity of $17.75 which approximates the present market value of the stock.

Since its formation the company has shown ability both to earn and pay regular dividends on the four classes of stock outstanding.



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Rackets

Racket: "A trick, dodge, scheme, game, line of business or action."—Shorter Oxford English Dictionary.

Fake Auction Rooms Condemned

OUTSIDE each fake auction room in Montreal the Director of Police ought to station a constable to warn people going in that they will be tricked, according to a statement made recently by Ald. J. Maurice Gabias, chairman of the Executive Committee of the Montreal City Council.

Council, which was told that certain establishments are "shady," adopted a motion offered by Aldermen Dupuis and Lesage that the law relating to auctioneers be changed to empower the city to define, by by-law, what constitutes an auction and determine the manner in which auctions are to be held.

Ald. Dupuis described what he alleged to be the usual procedure in these so-called auction rooms. People, he said, are lured into the place by doorway tricks; accomplices are on the spot, and the auctioneer gives away free bundles of gay-looking merchandise. Then the "sucker" jumps in, follows the play of the alleged accomplices who later return the merchandise and get their money back.

"The result is that the stranger gets the merchandise, his money is kept—and I venture to say that if he gets stuff worth $2.50 for a $10 bill, he is doing well," Ald. Dupuis stated.

Backing Ald. Dupuis to the limit, Ald. Trepanier said: "Nothing is more disgusting than to witness toleration of this kind of thing. The licenses of those places should be revoked at once. The Director of Police needs no special legislation. Let his men make the case and then close the establishment of the offender. These places are being run by strangers who mean nothing to the people of Montreal."

* * *

Racketeers Racketed

PROPRIETORS of so-called fake auctions in mid-town Montreal, recently denounced in City Council and over the radio, have been subjected to blackmail proposals, and demands for sums of $100 and $200 to buy silence on the part of people threatened to "uncover" them.

This, happily, according to ugly rumors reported in the Montreal Gazette, is said to apply exclusively to people outside the City Hall; no such accusations have been levelled against the aldermen who spoke against the establishments in question.

While little sympathy for the auction rooms is to be found anywhere in civic administration circles, somebody apparently has been using City Hall indignation against the "auctioneers" as a source of income.

The aldermen can do nothing about this unless they receive more definite accusations and proof than they have so far.

* * *

Must Be Stopped

THE Dominion has suffered much in the past from the victimizing of unwary old country investors by those selling Canadian securities there," says the Edmonton Journal. "Many land purchases made during the boom days also did much to weaken confidence in this country. Now that it is undergoing a marked revival everything possible must be done to prevent a repetition of such practices. That it is not too soon to be on the alert is shown by two cases that have recently come to the attention of The Financial Post. In one of them shares in a British Columbia mine that had been optioned at eight and ten cents were being sold in Britain at the equivalent of $5.50. In the other the price was $5.25 for what the sellers had paid eleven and a half cents.

These operations were called to the attention of the companies which replied that they had no knowledge of the actions of their fiscal agents. But The Post rightly insists that "the racket cannot be dismissed in such a light manner." If they do nothing to stop such sales, it is clearly the duty of the Canadian public authorities to see to it that British buyers are warned of the exorbitant prices that are being asked and that only those entirely ignorant regarding the properties in question would pay.

"It may be argued that if they are swindled they only get what they deserve for not taking the precaution of making careful investigation. But the point is that the reputation of the Dominion is damaged, even though the salesmen have had nothing to do with this country apart from acquiring the options. Many of the worst offenders in this respect have been residents of Britain. While it is upon their fellow-citizens they prey, the blame in most instances is thrown on Canada by the victims."

* * *

Sale of Jobs Denied

ALD. JOSEPH HENRI BRIEN, of Rosemount, facing a charge of selling a civic appointment, denied before Chief Judge Perault in the Court of Sessions at Montreal, that he ever promised a job to Sylvio Themens if the latter would buy shares in Boisvert Gold Mines Syndicate.

According to the charge, Sylvio Themens, Rosemount, was approached by a man named Venne, who offered to sell him shares in the Boisvert Gold Mines Syndicate, in which, incidentally, Ald. Brien was one of the major shareholders. Themens, it was said, subscribed $200—$50 by cheque and $150 by note—on condition that he be given the job of assistant foreman on a road construction job. The alderman contended that he neither gave a personal promise nor authorized any other person to make such a promise in his name.

Themens, as witness, sustained the substance of the charge. He did not get the job, however.

Armand Themens, his brother, and Lucien Plouffe, both took the stand to say that they interviewed the alderman on behalf of Sylvio Themens, and that a job was promised.

Ald. Brien, taking the stand as witness, denied any such promises. He said that he only learned of Themens' subscription when he came to renew his note. The conversation he had with him on that occasion had nothing to do with a job.

* * *

"Insider" is Slain

A MAN who federal agents said had "squealed" on a gang of counterfeiters was cornered and slashed to death recently in Cincinnati, Ohio, a few hours after police were tipped he had been marked for death.

The man was Nick Damico, 47, identified by Harry Buck, U. S. Department of Justice agent, as an insider who revealed the secrets of a counterfeiting ring Buck had been trailing since spring.

Police Lieutenant Patrick Hayes declared that the counterfeiters were a powerful gang, headed by men with influence. They were not going to jail if they could escape it. Other murders would probably occur.

So far in Canada operations of the Canadian Mounted Police in uncovering counterfeiters have not met with this particular kind of opposition.

* * *

Suckers All

THERE'S one born every minute," says The Alliance Times. "About 6 weeks ago a man called and invited us to subscribe to a certain Canadian magazine for which, as it happened, our subscription had just expired. We succumbed to his pleading, and haven't heard of him or the magazine to this day. It serves us right, and our chief reason for mentioning it here is that it may act as one more warning to a sympathetic but gullible public to refrain from dealing with unknown pedlars regardless of the standing of the firm they claim to represent or the quality of their wares.

"A stranger recently travelled through the country selling, among other cooking utensils, waterless cookers priced at around $15—(in one district alone he sold close to $2,000 worth). Last Saturday, we walked into a hardware store and, noticing a waterless cooker on the shelf, examined the price tag. Believe it or not, it read $5.75. The storekeeper informed us there had been very little demand for them and yet a total stranger can travel around the country and sell hundreds of them at three times their value. High-pressure salesmanship has been developed to a fine art, but there is something wrong when people will pay $2,000 for about $750 worth of waterless cookers, or when a man pays for a magazine he never gets. As one sucker to another, we got what we deserved."

International Drug Ring Exposed

MONTREAL night club proprietor, self-described as "professional gambler," Harry Davis, 31, was found guilty recently on double count of smuggling $200,000 worth of narcotics into Canada and conspiracy to smuggle narcotics. The case took on an international aspect when Davis was accused during trial of being head of a drug ring with ramifications in New York, Paris and Warsaw, Poland.

In his charge to the jury Chief Justice R. A. E. Greenshields described Davis' offense as "one of the biggest conspiracies ever perpetrated on this continent to smuggle deadly poison and ultimately cause the ruin of countless people."

Charles Feigenbaum, now serving a five-year penitentiary sentence for smuggling large quantities of silk from the United States into Canada, in the course of the trial told the jury that he had been able to lend a hand to Harry Davis in the latter's drug smuggling trade due to his "good connections" with certain minor customs officials. Feigenbaum said that Davis, knowing Feigenbaum's relations with customs officials in connection with smuggling silk into Canada, asked him to get some "stuff" through for him. Feigenbaum did not ask what the stuff was but arranged for four trunks to come through. In the first trunk there was cocaine and in the second trunk toys from Germany, he found out later. The method evolved was for the trunk to be taken out of the customs to Montreal residence where Davis was stated to have emptied the contents whereupon the empty trunk was returned to customs, before it was missed, with the connivance of a relative of a customs officer.

The events related all happened in 1930.

Cattle Shipments Larger

Exports of cattle from Canada to the United Kingdom during 1933 will reach 40,000 head. Up to a week ago shipments had totalled 38,275 head. Last year at this time shipments were under 17,000 head.

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AGENTS APPROVE HOLDING EXAMS FOR NEW MEN

Fire and Casualty Men Ask Revision of Ontario Laws

ANNUAL MEET HELD

"Thumbs down" on official sponsorship of installment financing of insurance premiums by the Ontario Fire and Casualty Agents' Association, and a decision to urge that prospective agents must in future submit to examination before they are licensed, were highlights of the 13th annual convention of the association, held at Toronto last week.

Little discussion was heard concerning installment financing of premiums which was the key topic at last year's convention. The convention programme had billed Claude S. Fitzpatrick, Underwriters' Acceptance Corp. of Detroit, as one of the main speakers but Mr. Fitzpatrick wired his "regrets," in spite of the fact that during the year the executive council of the association had approved a plan whereby this company would provide "credit" facilities to all members of the association.

In his presidential address to the convention, John T. Truman, of Hamilton, indicated that he believed the U. S. company was not overly anxious to come into Canada at the present time as it had its hands full with banking and financial problems in the United States.

Negative Decision

Although no official statement was made as to the fate of premium financing, The Financial Post understands that the association has decided to definitely frown on the idea as far as the association itself is concerned and to leave individual agents and brokers free to make any arrangements they see fit to, on their own account.

Two factors were largely responsible for this decision, namely a lack of unanimity among the members as to what should be done and secondly the belief that there was insufficient business in Ontario to warrant such a step. This decision is in line with that has happened in the United States where a joint committee of fire and casualty companies has turned down a similar proposition on the grounds that there was danger that such an organization would undermine established insurance agencies because of its direct contact with the assured.

Examination Law Asked

The need for further qualification requirements for agents doing business in the province, was another matter also discussed a year ago. This year the convention heard H. R. Teittrick, chief of the division of agents and brokers, Pennsylvania, outline the agency qualification in his state. In that jurisdiction, regular examinations are held to test the qualifications of new agents.

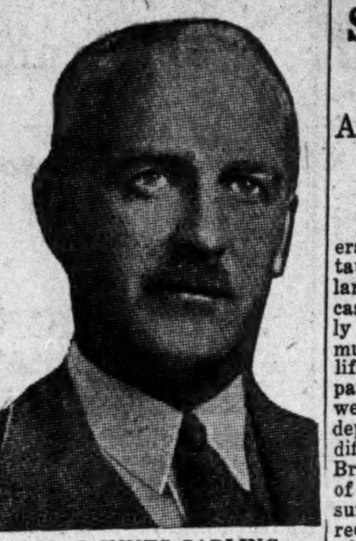
After discussing the matter the convention approved a resolution authorizing the executive committee to ask the attorney-general of Ontario that similar provisions be added to the Ontario agency law.

Other subjects discussed by the association were largely matters which featured the recent meeting of the provincial insurance superintendents, held in Toronto in September. Important among these were the incontestability of fire policies after being in force three months. Legislation covering this has already been introduced in Manitoba. President Truman assailed such a plan bitterly in his presidential address—a sentiment which was supported by association members. Little was done, however, except to confirm the appointment of Mr. Truman as a member of a joint committee formed under the auspices of the insurance superintendents, to make a fuller study of the matter. Other matters also now under advisement by the provincial superintendents were discussed, namely the credit and free insurance evil and the thirty-day automatic cancellation of policies.

To the query, "Should we advocate a Government rating bureau?" the agents made answer in the negative, while a further item of business was the passing of a resolution that salaried members of company offices be no longer granted a license by the provincial Government.

Election of officers resulted in Col. J. Innes Carling being appointed president while Cecil Bethune, of Ottawa, and J. C. Young of Oshawa, joined W. S. Davis, of Oakville, as vice-presidents for the coming year. Charles Priestman was re-elected secretary-treasurer.

Heads Ontario Agents



COL. J. INNES CARLING
Of London, elected president of the Ontario Fire and Casualty Insurance Agents Association at the 13th annual convention held in Toronto last week.

3 WINNERS REPEAT IN FIRE CONTEST OF DOM. CHAMBER

Increased Interest Taken in 1932 Effort to Cut Losses

Reduction in Dominion, provincial and municipal efforts toward fire prevention during the past year, owing to the necessity for financial retrenchment, has added to the significance of efforts along these lines directed by private organizations. The report of the Canadian Chamber of Commerce on their annual fire prevention contest which shows a 70 per cent increase in the number of cities participating is, therefore, of special importance.

In all, there were 35 cities competing in the 1932 contest, 7 in class 1 for cities of over 50,000 population; 10 in class 2 for cities from 15,000 to 50,000; 11 in class 3 for cities between 5,000 and 15,000; and 7 in class 4. The winners of the four silver shields in each of the population categories were; class 1, Toronto; class 2, Oshawa; class 3, Kenora; class 4, Kentville, N.S.

Three Winners Repeat

It is interesting to note that the activities conducted in 1932 by the 1931 winners secured for them their trophies for another year, these being, Oshawa, Kenora and Kentville, N.S. Moreover, according to the Canadian Chamber's report on the contest, participating boards and chambers state that their activities were of great assistance both in promoting their community's welfare and in maintaining membership interest.

Among the many activities carried on by the Chamber of Commerce may be mentioned the following: the holding of fire prevention week and clean-up campaigns, fire prevention drills in boy scouts and girl guides, inspection of business, public and residential buildings, community fire drills, fire prevention instruction in schools and business houses, luncheons and dinners at which fire prevention work was greatly stressed and the formation of arson squads in many parts of the country.

Lower Losses Reported

With a view to further stimulating interest in the contest the chamber dispatched last year periodically, suggestive pamphlets and reports on fire prevention work. Interest in these writings was in evidence on every hand. The 70 per cent increase in participants together with the results achieved, as instanced by over 50 per cent of the participants reporting lower fire losses, is encouraging.

Merge Auto Theft Bureaus of U. S. and Canadian Cos.

Merger of two automobile theft and recovery bureaus operated in Montreal by American and Canadian insurance companies, respectively, was recently announced following a general meeting of the Canadian Automobile Loss & Investigation Bureau.

The new organization will be known as the Canadian Automobile Theft Bureau, with headquarters at Montreal. The two organizations thus amalgamated have been in operation for 10 years.

Winnipeg Building Grows

September building figures in Winnipeg made the best comparative showing of any month of the year, the total being $97,850.

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BRANCHES THROUGHOUT CANADA AND OFFICES IN NEW YORK AND LONDON

LIFE OFFICIAL SAYS SURRENDERS ARE DECLINING

Aetna Life President Reviews Canadian Field

Heavy policy loans and surrenders during the past three years have taught the valuable lesson that larger reserves of cash and immediately liquid securities must be carried by life insurance companies in order to weather periods of depression without difficulty, Morgan B. Brainard, president of the Aetna Life Insurance Co., stated recently at a meeting of the Toronto agency force. To this end, he explained, 2.71 per cent of his company's assets were now in cash, about double what it was in ordinary times and, in addition, 2.4 per cent of assets are maintained in United States government bonds as a further cash reserve.

M. R. Brainard

Mr. Brainard stated that he felt that the heavy policy loan and surrender period in the Aetna's depression experience was now over. These totals have been decreasing rapidly since the high peak of last spring, he said.

Few Fields For Investment

Fields for investment have been cut considerably by the depression, Mr. Brainard stated. "The difficulties of the railroads and agriculture," he said, "close for the time being our major fields of investment. Finding means to invest their funds is a very serious problem with insurance companies today."

Mr. Brainard outlined the Ætna Life's investments in Canada. The company holds some $4,700,000 of Dominion bonds, $3,600,000 of provincial bonds, $5,400,000 of Canadian city bonds, $1,900,000 of Canadian railroad bonds, $250,000 in railroad stocks, $4,300,000 of public utility bonds, $200,000 industrial bonds, $39,000 industrial stocks, and $2,250,000 in loans to policyholders.

30,000 Canadian Policies

"We have slightly over 30,000 policyholders in Canada," said Mr. Brainard, "with insurance in force amounting to well over $80,000,000. If we were operating only in the Dominion with this $80,000,000 of insurance in force, it would mean probably some $9,000,000 of investments. But actually, as I have shown, we have over $22,600,000 invested here."

"It has always been a source of satisfaction to us that the Ætna Life has had policyholders in Canada almost from the beginning of the company's history. We organized in 1850 and in December of the same year we issued our first policy on a Canadian citizen. Our first Canadian agency was opened in Montreal in 1867. We have operated in the Dominion without interruption ever since. Today we have offices in Montreal, Toronto, Winnipeg and Vancouver, all of them manned by Canadians."

Insurance Inklings

Confederation Life Association wrote $3,215,670 of new insurance in September. Total insurance in force at the end of the month was $364,661,074.

DR. W. L. MANN, chief medical referee of the Great-West Life Assurance Co. attended the meeting of the Association of Medical Directors in Toronto, October 11 to 13. Following the meeting he visited some of the company's eastern branches.

V. R. SMITH, general manager and actuary, and C. D. DEVLIN, general superintendent of agencies, of the Confederation Life, are spending October and November in the United Kingdom on a study of the Association's business there.

WILLIARD C. GORDON has been appointed branch manager of the Imperial Life Assurance Co., Vancouver. Mr. Gordon was formerly manager at London, Ont.

J. F. MAINE, superintendent of industrial agencies of the London Life Insurance Co. was elected chairman of the industrial section of the American Life Convention at the recent meeting at Chicago.

LUMBER PILE LOSS DISTORTS RETURNS

Large Pulpwood Loss Placed in Sprinkler Group

By writing the Port Alfred Pulp & Paper Co.'s plant and properties at Port Alfred under a blanket sprinklered risk policy, and charging losses to this group, Canadian insurance companies have distorted loss figure for 1932. It will be remembered that the $2,000,000 fire in May, 1932, was chiefly in the lumber pile but the losses taken by insurance companies have been recorded against sprinklered risk business.

Assignment of this $2,000,000 loss to the sprinklered risk department has so thrown the returns out of joint that the Department of Insurance has taken up with the interested companies the question of the proper classification of the risk. It is suggested that the risk may more properly be divided among several classifications and that "lumber yard" and "miscellaneous" would be more correct than the present one.

Opinion appears to be that, while the loss may be classified as miscellaneous, it is in no way correct or even possible to place large portions of it in other classifications and thereby distort experience in these groups.

Licensed Insurers Increase in Quebec

Notice in the current issue of the Quebec Official Gazette shows that there were 326 British, Canadian and foreign insurance companies, registered and licensed to transact business in the Province of Quebec on July 1, 1933. In addition to these there were over 200 mutual fire insurance companies organized by municipal councils authorized to insure only property situated upon taxable land within municipality and parish and local municipalities.

The number of foreign mutual insurance companies registered to do business in the Province of Quebec is placed at 25, while brokers of unlicensed insurance companies with special licenses, number 12.

There are ten underwriters' agencies.

Doctors Ponder Problem Of Why People Die

Whisky, Suicide and Asthma Among Interesting Subjects Discussed by Insurance Experts

Learned medical men from all parts of the continent pondered the physical and mental frailties of human beings last week, when the Association of Life Insurance Medical Directors held its 44th annual meeting at Toronto.

Formal addresses presented to the meeting comprised roughly 80,000 words—most of them in the tongue-twisting terminology of the profession. Here and there, however, were flashes of news and opinion that ordinary laymen could understand and appreciate.

Alcohol Makes Bad Risks

The use of alcohol, for instance, is one of the most difficult problems with which life companies must deal, according to Arthur Hunter, actuary of the New York Life, who spoke on "Medical Impairment Ratings." In the experience of his company this impairment ranks fifth in order of importance, the others in order of frequency being overweight, heart murmurs, abnormal blood pressure, family history of tuberculosis.

A study of company experience indicated, according to Dr. Hunter, that life companies are averse to insuring on any terms anyone who becomes intoxicated two or three times a month or who goes on protracted sprees, even though these occur seldom. Most medical directors, he felt, consider that addiction to alcohol is likely to increase rather than decrease in an individual who has formed the habit and that so-called "cures" are not as effective as their advocates aver. One of the largest companies finds the problem so difficult that it does not make any rulings but leaves the decision in each individual case to the medical staff.

Dr. Hunter believes the general tendency is for large companies to be more liberal when there is immoderate use of alcohol a very few times a year and to be distinctly more severe when there has been such use as often as once a month. Dr. Hunter was comparing the experience of these companies with what is known as the "Medical Impairment Ratings," which are ratings for sub-standard risks based on the combined experience of leading life companies on this continent.

Asthma Getting Worse

Asthma, once known as the "disease which never kills," is another problem about which the doctors showed concern. Two medical experts of the Metropolitan Life told the meeting that their company's experience showed asthma to be a serious impairment. "Those whose last attacks occurred within a year are definitely of sub-standard calibre and a very thin asthmatic is usually not insurable on any plan."

On male risks suffering from asthma, the mortality was 27.4 higher than that expected and 63.7 more than that set by the basic mortality table. The results on female risks were even worse.

"There is an excessive mortality at practically every age," the Metropolitan men stated, with the ratio of actual to expected deaths highest between 30 and 50. The high mortality rate was due primarily to myocardial disease, pneumonia and tuberculosis, they said.

The Suicide Problem

One of the most striking papers of the meeting was that prepared by Dr. L. F. Barker. Under the title, "On Disposition to Nervous or Mental Disease as a Consideration in the Selection of Insurance Risks," one subject he discussed at considerable length was suicide, which he declared to be a matter of grave concern to the insurance world. Men, he said, had a higher rate of suicide than women, but the rate among women was growing. "A definite increase in the suicide rate in all civilized countries has occurred in recent decades. Fortunately, in that time, there has been marked growth in our knowledge of the conditions under which it occurs."

"There is no sure way of anticipating death from suicide," said Dr. Barker, "although here again there are certain criteria that may well arouse concern and may possibly make it wise to place the applicant (for insurance) if accepted at all, in a sub-standard group."

"Besides ethnic (racial) factors, religious and philosophic influences play a part," said Dr. Barker. "Thus among those who believe in God and a life after death, suicide is less common than among atheists; and among believers, suicides are more common among Protestants and Jews than among Roman Catholics. Cultural relations also play a role since suicides are least numerous among primitive and ignorant peoples and most common among nationalities that have reached a high grade of culture and refinement.

"More suicides," he said, "occur in fine sunny weather than during cold, cloudy, wet days or months; the suicide rate tends to increase from the beginning of the year until it reaches a maximum in late Spring or early Summer, after which it decreases slowly until the end of the year.

"More men than women commit suicide, but the rate among women has been growing with the changing conditions that make the life of women in industry and in society approach more nearly to that of man. The majority of suicides occur among persons of neurotic (nervous diseases) or psychopathic (mental diseases) constitutions; as a rule they follow sudden impulses (rather than well-defined motives) in persons of marked emotional instability."

Need Subrogation of Rights to Recover Insurance Monies

The law does not recognize the right of an insurance company to recover money paid to an insured unless it takes subrogation of the insured's rights, Mr. Justice MacDougall declared in Montreal Superior Court recently, in dismissing an action for $473 brought by the Toronto General Insurance Company against David Better, whose car struck and injured Dick White.

White, an employee of the Foundation Company of Canada, was injured by Better's car while at work and was paid compensation by the Workmen's Compensation Commission. The insurance company then sued Better for $473 and White also sued for $492.

The judgment was based on the fact that the claim against David Better was one for personal damage to Dick White and that as the insurance company had not obtained substitution of their claim for that of White's, it had no claim on Better. White's claim was dismissed when it was found that Better was not responsible for the accident.

Current Events in Banking World

Bank Chat on Current Topics

Fear London Domination

NEW ZEALAND, too, has had a central bank under discussion. Opponents of such an institution for that Dominion have stressed two major objections: first, that a central bank would bring the Dominion under the financial domination of London through the Bank of England and make New Zealand's money policy subservient to that of England and secondly that a central bank would give the Government too much control over private finance.

The second major objection has a most familiar sound but in evidence before the Macmillan Commission there was no widespread suggestion that our monetary policy would be influenced by London, although the danger has been stressed by The Financial Post and is recognized by Canadian bankers. This, despite the fact that Sir Charles Addis, a member of the Royal Commission on Banking and Currency is a director of the Bank of England, and the presence of two other Bank of England officials in the official party.

In answering the two main objections to a central bank in New Zealand a writer in the New Zealand Financial Times points out that the financial policy of the country is, and has been for many years, dominated by Great Britain, in a broad sense, due to the peculiar financial and trading relationships between New Zealand and Great Britain. In other words, it is the debtor and trading position and not the banking system that links the Dominion to British finance.

At the present time the New Zealand Government has potential control of the Bank of New Zealand, since it appoints four out of six directors of the bank. The bank appears to have practically a free hand, however, except with regard to exchange rates. With four out of New Zealand's six banks being largely Australian institutions it has been urged that a central bank must be created in order to have an over-riding power that will permit New Zealanders to regulate their own currency and banking.

Staff Changes

The Canadian Bank of Commerce announces that:

J. K. GOODFELLOW, accountant at St. Catherine and City Hall branch, Montreal, has been appointed manager at Hemmingford, Que.

W. B. BRADSHAW, manager at Hemmingford, Que., has been appointed manager at Ormstown, Que.

J. U. L. LECLAIR has been appointed accountant at St. Catherine and City Hall branch, Montreal.

J. A. CLARK, of the staff of relieving managers, Superintendent's Department, Calgary, has been granted leave of absence prior to his retirement on pension.

N. C. STEPHENS, assistant superintendent, head office, Toronto, has been granted extended leave of absence prior to his retirement on pension.

Branch Changes

The Danforth and Greenwood, Toronto, branch of the Canadian Bank of Commerce was closed on October 14.

V. R. Purser is President Winnipeg Bankers' Club

V. R. Purser, Bank of Montreal, heads the Winnipeg Bankers' Lecture Club for the forthcoming year as a result of the recent election when he was named president. Other officers include A. J. Wishart, Royal Bank, vice-president, and H. S. Chambers, Bank of Toronto, secretary-treasurer.

The following were elected as representatives of their respective banks, to serve on the executive of the club: V. R. Purser, Bank of Montreal; A. J. Wishart, Royal Bank of Canada; A. T. Stenhouse, Bank of Nova Scotia; W. Marshall, Bank of Toronto: E. J. Friesen, Imperial Bank of Canada; H. E. Geddes, Canadian Bank of Commerce; J. H. Blanchett, La Banque Canadienne Nationale, and C. O. Bell, Dominion Bank.

Totals of Bank Deposits Are Subject to Adjustment

Monthly Changes Are Affected by "Cheques on Other Banks" Which Have Not Been Cleared — Causes Duplication in Consolidated Statement of Canadian Banks

Changes in the total of Canadian bank deposits from month to month are not always a true indication of the actual change that has occurred during the month in the volume of savings and demand deposits. The total of these deposits forms one index to the prosperity and financial stability of a country and are scanned by bankers, business men and economists alike but the figures as shown in the monthly bank statements are subject to adjustment which may change an apparent decline in bank deposits to an actual increase.

The figures submitted by each of the banks are entirely accurate but the adjustment occurs in allowing for cheques of other banks which have not had a chance to pass through the clearing house. Adjustment is made by each bank for its own cheques in transit between its own branches on the last day of each month but such an adjustment is not possible for cheques of other banks which are shown as an asset in the monthly bank statement. Since these cheques have already been credited to individual accounts their total represents a duplication in the total of deposits shown in the consolidated statement of all the banks since, while they have been credited on the one hand, they have not been debited on the other.

During 1932 and 1933 the volume of such cheques has varied from $68,400,000 to $116,067,000 but the average has been $83,000,000 per month. The change in the monthly volume of cheques that have not been cleared between banks may be sufficient to more than offset decrease in the volume of deposits as shown in the bank statement. In March, 1933, as an example, volume of deposits was down by $249,733 from the total at the end of February. After deducting cheques of other banks from the total of deposits shown at the end of February and March it appears that there was an actual gain in deposits amounting to $434,000.

In July, 1933, deposits apparently dropped $40,849,438 under the June total but after adjustment for cheques outstanding at the end of each month it is found that actual deposits dropped by only $14,346,000. This is due to the fact that the volume of cheques of other banks was down substantially in July as compared with the volume in June and, therefore, there was less duplication of deposits.

The extent to which the adjustment of bank deposit totals changes the picture of the trend shown by the unadjusted figures for bank deposits is shown in the following table, which gives the monthly change during the current year both before and after adjustment.

Date	Total Deposits (Demand & Savings) (1) $	Apparent change from prev. month (2) $	Cheques of other banks (3) $	Deposits after eliminating Duplication (1-3) $	Actual change in deposits from prev. month $
Jan. 31 ...	1,828,866,000	—14,867,000	68,817,000	1,760,049,000	— 3,277,000
Feb. 28 ...	1,842,923,000	+14,188,000	69,104,000	1,773,819,000	+13,770,000
Mar. 31 ...	1,842,673,000	— 250,000	68,420,000	1,774,253,000	+ 434,000
Apr. 30 ...	1,883,765,000	+41,092,000	85,903,000	1,797,862,000	+23,609,000
May 31 ...	1,895,738,000	+11,973,000	92,044,000	1,803,694,000	+ 5,832,000
June 30 ...	1,921,978,000	+26,241,000	116,067,000	1,804,911,000	+ 1,217,000
July 31 ...	1,881,129,000	—40,849,000	90,565,000	1,790,564,000	—14,347,000
Aug. 31 ...	1,856,556,000	—24,573,000	75,350,000	1,781,206,000	— 9,358,000

Foreign Exchange

VIEWS on stabilization of leading currencies vary widely. Some say resumption of gold is comparatively close. It has been argued by several authorities that abandonment of gold by France would be the best thing to clear the way to stabilization. Also that re-establishment of a gold standard is not feasible as long as present exchange quotations exist. Several students of the situation agree that sterling would probably drop sharply if the United States were to announce devaluation and stabilization of the dollar on a reduced gold content, because of large balances lying in London and ready to fly toward greater security at any moment. That is what occurred this week.

The foreign exchange situation today is abnormal in that fluctuations are wide, not chiefly because of variations in foreign trade and international long-term lending, but because of transfers of short-term capital. Cash balances and saleable securities are being switched from one currency to another with consequent sudden and severe changes in exchange quotations. It is, therefore, argued that it is necessary to remove the volatile and dangerous mass of security-seeking funds before exchanges can be stabilized. This could be done if France were to abandon gold, placing most currencies on a basis of equaly security.

* * *

A WASHINGTON report has it that devaluation of the dollar in terms of gold will be announced within a few months. Other sources hazard the same guess. On the other hand, one close student of exchange and finance ventures the opinion to The Financial Post that Americans will be ballyhooing inflation again inside a few weeks.

Sterling money coming into Canada for investment has been in heavy volume since the successful sale of Canada's four per cent loan in London last August. Success of our conversion loan will probably tend to encourage this, authorities believe. Thus the Canadian dollar is really getting the benefit of long-term lending in this country by outsiders.

Quotations follow:

FOREIGN EXCHANGE
New York Funds

	High (Premium) %	Low (Premium) %	Last Year High (Premium) %	Last Year Low (Premium) %
Oct. 10 ...	2 5-16	2 1-8	10 1-16	9 7 8
Oct. 11 ...	2 9-16	2 5-16	10 1-8	10
Oct. 12 ...	2 7-16	2 1-4	10 1-16	9 15-16
Oct. 13 ...	3 1-4	2 3-8	10	9 7-8
Oct. 14 ...	3 1-4	2 15-16	9 7-8	9 1-16
Oct. 16 ...	3 1-2	3 3-16	8 7-8	8

STERLING, FRANCS AND LIRE
Close: Demand in New York

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Oct. 10 ...	4.69 1-2	.0595 1-2	.0798
Oct. 11 ...	4.65 1-2	.0587	.0788
Oct. 12 ...	......	.....	.....
Oct. 13 ...	4.61 3-4	.0579 3-4	.0779
Oct. 14 ...	4.57 1-4	.0564	.0759
Oct. 16 ...	4.52 3-4	.0563	.0758

Close: Demand in Toronto

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Oct. 10 ...	4.79 3-4	0.0606 1-2	0.0816
Oct. 11 ...	4.77 3-4	0.0604	0.0812
Oct. 12 ...	4.77 3-4	0.0603 1-4	0.0810
Oct. 13 ...	4.70 1-2	0.0591	0.0795
Oct. 14 ...	4.69 1-4	0.0580	0.0781 1-4
Oct. 16 ...	4.70 1-2	0.0582 1-2	0.0783

	Reichsmarks	Belga	Yen
Gold par	$0.238	$0.139	$0.498
Oct. 10	0.3691	0.2161	0.2889
Oct. 11	0.3682	0.2153	0.2896
Oct. 12	0.3680	0.2150	......
Oct. 13	0.3598	0.2102	0.2967
Oct. 14	0.3530	0.2065	0.2859
Oct. 16	0.3526	0.2073	0.2865

DURING THE THREE YEARS
1930 - 1931 - 1932
THE SUN LIFE ASSURANCE COMPANY OF CANADA
PAID IN CASH TO POLICYHOLDERS AND BENEFICIARIES
$319,000,000
AN AVERAGE OF $355,000 FOR EVERY WORKING DAY

There's a SUN LIFE POLICY exactly suited to your requirements and a trained SUN LIFE representative ready to give you expert advice without obligation.

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE-MONTREAL

Excess in Gold Holdings Increases, Circulation Down

Dominion notes in circulation dropped $3,633,049 during September to total $173,147,731 at the end of the month as compared with $176,780,780 at the end of August. Chief decline was in legal tender for banks, while notes of smaller denominations showed slight change.

Gold held by the Minister of Finance increased slightly so that gold holdings in excess of statutory requirements was up to $706,361 from $644,019. This is the largest excess of any month in the current year, just exceeding the January total of $706.329.

The statement of gold held by the Minister of Finance is as follows:

Gold Holdings as at September 30

Against savings bank deposits (10% on $23,291,280)	$2,329,123
Against notes as required under Dominion Notes Act	68,903,731
In excess of statutory requirements	706,361
	$71,939,215

What Editors Say of Banks

Safeguard the Depositors

Victoria Colonist: If there was one feature of the recent enquiry by the Royal Commission on Banking and Currency, which has now concluded its sessions, it was that too little evidence was submitted on behalf of the depositors. Those depositors were not organized. They were, in effect, inarticulate, and yet it is their interests more than any other which require to be safeguarded. It is their money that is at stake in any new amendment to the Bank Act. It is their money that would be at stake more than ever if there is a loosening up of the credit facilities which the banks now extend and which are extended on safe and sane lines.

The Government is certain to base legislation on the findings of the Macmillan Commission. There is no doubt of the ability of the men who compose the enquiry body; their outlook will be dispassionate and their findings made after weighing all the evidence. They undertook the task during a time of abnormal conditions. The recommendations they will make will be of a character which will maintain banking on an even keel in good times and in bad. The fact is that Canadian banking has been on just such a keel and interference with its operations might well create uncertainties regarding the future. There has been a noisy demand for more elasticity in credit facilities. It comes from those who have always shown a disposition to mortgage their futures, to go cavalierly into debt without any particular regard as to how that debt shall be liquidated.

Weekly Bank Clearings

	Oct. 12, 1933 $	Change year ago %	Oct. 5, 1933 $
Halifax	1,679,969	+3.4	2,531,214
Saint John .	1,073,327	—15.7	1,615,527
Moncton ...	524,136	+3.6	653,204
Sherbrooke .	733,948	+34.1	635,514
Quebec	3,130,542	+11.6	4,528,365
Montreal ...	75,997,784	+16.0	103,619,036
Ottawa	3,245,572	—5.7	4,618,193
Kingston ...	503,212	+8.6	701,515
Peterborough	490,747	+0.9	1,045,317
Toronto	85,931,076	+23.3	117,973,518
Hamilton ...	2,806,476	+4.6	4,480,413
Kitchener ..	959,835	+5.8	1,038,753
Brantford ..	776,256	+5.0	910,476
London	1,774,024	—5.6	2,953,686
Windsor ...	1,522,262	—11.4	2,182,239
Sarnia	349,965	+16.7	447,722
Sudbury	482,617	+24.4	561,890
Kingston ...	503,212	+8.5	701,515
Chatham	335,104	—8.3	443,592
Fort William	444,469	—8.0	608,482
Winnipeg ...	39,105,089	—14.8	53,601,715
Brandon	289,725	—12.1	395,210
Regina	4,189,394	+1.7	4,813,761
Moose Jaw ..	464,394	—6.6	671,600
Saskatoon ..	1,169,806	—30.3	1,567,700
Pr. Albert ..	258,112	+11.4	321,488
Edmonton ..	3,364,290	—1.5	3,907,866
Calgary	4,308,497	—28.4	6,142,764
Medicine Hat	234,313	+17.7	325,209
Lethbridge ..	359,192	+6.3	450,103
N. W'minster	382,563	+5.4	612,230
Vancouver ..	11,567,738	+10.9	16,115,823
Victoria	1,249,022	+3.9	1,788,706

Security

It is recognized that the security of a life assurance company rests upon a balanced distribution of its assets.

Canada Life policyholders have such security. The assets of the Canada Life are invested as follows:

28.10% in Cash and Government and Municipal Bonds
27.90% in sound mortgages
18.30% in policy loans
25.70% in other government-approved investments.

In this way policyholders of the Canada Life have the security of over $216,000,000 of wisely invested assets.

Canada Life
Assurance Company
Established 1847

PROTECTION

The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost. This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.

Assets — $49,000,000.00
Independent Order of Foresters
FRANK E. HAND, Supreme Chief Ranger
HEAD OFFICE: TORONTO, CAN.

Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia
FIRE AUTOMOBILE WINDSTORM
Insurance in force over $250,000,000.00
Total Assets over 3,000,000.00
Agents required in Ontario
Write Eastern Branch, 2 Toronto St., Toronto, Ont.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE WASHINGTON
HEAD OFFICE FOR CANADA HAMILTON ONTARIO
WRITING FIRE AND AUTOMOBILE INSURANCE AT COST, ASSETS $4,616,449.70
BRANCH OFFICES
Toronto
Ottawa
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Quebec City
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ALL POLICIES NON-ASSESSABLE, PAYING DIVIDENDS RANGING FROM 20% TO 30%

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SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

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MILLING TRADE CLOSES YEAR WITH SALES UP

Export and Domestic Trade Better — Price Improves

HIGHER EARNINGS

Bakery Subsidiaries Cause for Worry — Can Do With Better Spirit of Co-operation

Both the volume and selling price of export and domestic sales of Canadian millers were on a more satisfactory basis in the past crop year than was the case in 1931-32. This is reflected in the current release of operators' financial statements which show improved earnings and a strengthening of financial position.

The last two years have been a period of recovery for the Canadian flour millers. When Great Britain stepped down from the gold standard, she was followed by several other countries known as the "Sterling group." This resulted in an upheaval in foreign exchange monetary rates and made it particularly difficult for the Canadian millers to maintain their place in the foreign markets. Canadian funds have been selling at a premium in relation to most of the flour importing countries, so that producers in this country have been at a disadvantage. This situation has shown a tendency to correct itself of late, but foreign exchange continues to have its effect on demand and prices of Canadian flour in the export markets.

Better Export Business

The operating year of 1931-32 was largely one of adjustment. Profits were small, but the trend of earnings was upward. During the 12 months ended August last — which coincides with the financial year of the majority of wheat flour producers—export business was on a healthier basis. This was due in no small part to the reciprocal trade arrangements entered into at the Ottawa Imperial Economic Conference. These agreements strengthened the position of the Canadian miller in the United Kingdom market. At the same time there was greater price stability on export business, so that the manufacturers were able to conduct their trade on a more profitable basis.

The export trade is all-important to the Canadian miller. The domestic market is limited, so that in order to obtain volume and lower operating costs, an active export trade is essential. The policy of building up export trade has been actively pushed by the millers — probably more so than in any other line of manufacturing activity, with the possible exception of newsprint.

Handicaps to Overcome

In certain instances the millers have been handicapped by conditions over which they had no control. Many European countries have subsidized the growing of wheat, thus increasing the available domestic supply. Others have encouraged the milling of wheat in their own countries by imposing tariff restrictions. Still others have limited the quantity of wheat flour imports. In cases such as these the Canadian miller has of necessity transferred his sales efforts elsewhere. The narrowing down of export markets has had its effect on Canadian milling operations, though to a lesser extent than would be thought judging by the restrictive measures now enforced by countries which normally are large buyers of Canadian wheat flour.

Exports Gain in 1932-33

One of the best guides to the activity and prosperity of the milling industry, therefore, is to be seen in the volume of exports. In the crop year ended August last, the millers shipped to overseas markets 5,520,579 bbls. of wheat flour. This compared with 5,191,798 bbls. in the preceding 12 months period, a gain of roughly 330,000 bbls.

Domestic Trade Fair

The domestic trade, on which the millers depend for most of their profit, was relatively satisfactory in 1931-1932. The tendency to buy from hand-to-mouth continues and there is a lack of confidence among distributors as to the stability of the market. This has tended to emphasize the hand-to-mouth buying policy. At the same time, the millers have not done much to counteract this uncertainty in trade circles. Price-cutting and other concessions, from time to time, have disturbed the normal tenor of marketing arrangements with consequent adverse effects upon the millers themselves.

Need Greater Co-operation

Efforts have been made by some of the leading millers to secure a greater degree of co-operation or unanimity on policy relating to the domestic trade. These advances have not been altogether satisfactory. They have been the means, however, of keeping conditions in check though closer co-operation among the millers would be of benefit to all concerned.

Over the past year the volume of domestic trade has been fairly satisfactory. Somewhat better prices prevailed for the standard grades than in the previous year. The price to the trade is still regarded as low, but any improvement along these lines will be largely influenced by the cost of raw materials, rather than through any concerted action by the millers to better prices.

Bakery Units Are Problem

Aside from the manufacture and sale of products, some of the larger operators have been faced with problems in connection with their bakery subsidiaries. A few years back the idea was conceived to secure control of the larger bakeries in order to assure a permanent outlet for wheat flour. This scheme was actively pushed, until Maple Leaf Milling, Lake of the Woods Milling and Ogilvie Flour Mills and other producers, had bought outright or secured controlling interest in practically all the principal bakeries throughout the country. In the desire to secure "permanent" outlets, the millers paid fancy prices for these properties. The result in recent years has been that these bakeries have not been able to show their owners anything like a reasonable return on their capital investment.

Some of these bakery subsidiaries are now in financial difficulties. The "permanent outlets" for flour have proven to be far from satisfactory. Lake of the Woods Milling Co. is among the first to face this fact and is taking steps to write down the value of their investment in such properties. Other milling organizations are not especially pleased with their investment and may adopt similar measures in viewing this "asset" in its true light.

Despite the many problems still confronting the industry, the Canadian millers have definitely improved their status in the last 24 months. Difficulties remain to be overcome, but compared to their standing at the middle of 1931, the operators have gone a long way toward placing themselves on a sound footing.

Sugar Consumption Holds Despite Two Cent Tax

But Cane Factories Supply Canadian Needs Operating at Half Capacity — Beet Sugar Production Growing — Exports Irretrievably Lost

Despite the added impost of a tax of 2 cents a pound, Canadian sugar consumption has apparently been well maintained this year as compared with 1932. Domestic shipments for the period from January 1 to September 9 were actually 2.3 per cent less than for the corresponding period a year ago, a small reduction in view of the increased cost to the consumer.

Export shipments remained small, amounting to only about 2.5 per cent of the total shipments but even this was an increase from the 1932 total, for exports of 15,000,000 pounds in the first eight months of 1932 compare with 8,331,000 pounds exported in the same period a year ago. Newfoundland took both the bulk of the increase and total shipments. When compared with the export market of about 300 million pounds which Canadian refiners served a few years ago, these export totals seem almost infinitesimally small.

Pre-Budget Shipments

Leakage of information regarding the sugar tax prior to the bringing down of the budget resulted in exceedingly heavy shipments in March of this year. Shipments during the two following months were very considerably smaller than in the same period of 1932. Actually, about 227 million pounds were shipped in the first three months of this year as compared with 149 millions in 1932, while in the remainder of the year to date, or since the tax was imposed, shipments have been only 344 millions as against 443 millions in this period of 1932, a decrease of 22.5 per cent.

Total Domestic Shipments Refined Sugar—Cane and Beet

Four Weeks Ended:	1933 (lbs.)	1932 (lbs.)
Jan. 28	48,263,000	47,270,000
Feb. 25	49,749,000	49,221,000
Mar. 25	128,586,000	52,838,000
Sub total	226,598,000	149,329,000
Apr. 22	22,005,000	55,229,000
May 20	37,061,000	56,256,000
June 17	50,338,000	60,354,000
July 15	75,284,000	107,377,000
Aug. 12	79,961,000	84,478,000
Sept. 9	79,103,000	79,741,000
Last 20 weeks	343,690,000	443,436,000
Year to date	570,288,000	592,765,000

It is not entirely certain that some small effect of the heavy March shipments are not reflected in the current lower level of shipments as it is impossible to determine how far wholesalers, manufacturers and retailers went in their buying of tax-free sugar. September domestic shipments, however, at 79,103,000 pounds were only slightly smaller than the 79,741,000 pounds recorded in the same four weeks of 1932.

Only Eight Refineries

As there are only eight refineries in operation in Canada, monthly and weekly statistics for this commodity are probably more accurate than for any other. Difficulties arise, however, in studying these statistics in order to determine the activity of the refineries. For example, there are three types of refineries operating in Canada. First, there are those, five in number, which manufacture only from cane, second there are two which manufacture entirely from beets and third one factory manufactures sugar from both cane and beets. Monthly figures with beet and cane sugar segregated are, unfortunately, not available.

Although sugar beet factories are increasing their output annually, cane sugar refineries are by far the most important group. The latter group consists of the Acadia Sugar Refining Co., Dartmouth, Atlantic Sugar Refineries, Saint John, Canada & Dominion Sugar Co., and St. Lawrence Sugar Refineries, Montreal, and the B. C. Sugar Refining Co., Vancouver. Canada & Dominion Sugar Co. at Chatham, Ont., and the Canadian Sugar Refineries at Raymond, Alberta, manufacture only from beets, and Canada & Dominion Sugar Co.'s Wallaceburg plant manufactures from both raw sources.

Cane Makes 85 Per Cent

Comparative figures for sugar production from cane and beets for 1932 give an accurate picture of the relative positions of these two methods of production. Total cane sugar manufactured amounted to 812 million pounds as compared with 132 million pounds produced from beets. Growth of the sugar beet end of the industry can be seen from the fact that production from this source in 1928 only amounted to 65 million pounds, or less than half of the 1932 total.

Owing to the loss of the export market which was an important factor prior to 1927, cane refineries are only operating at about 50 per cent of capacity in order to supply the Canadian demand. Naturally, the inroads into their field made by the beet sugar factories, if this type of manufacture continues to expand as it has done in the past few years, will gradually reduce this percentage unless additional export markets are found.

Export Markets Lost

There would appear to be little likelihood of Canadian refiners obtaining a foot again in their old markets as needs there have been met for the past 6 years almost solely from beet sugar factories. It was in 1927 that European countries raised their tariffs against sugar and started to develop domestic sugar beet industries. Farmers were encouraged to plant these beets and the result was that the entire demand was soon met from this source.

SHORT 1933 PACK MAY FIRM PRICES OF CANNED GOODS

Heavy Carryovers of Former Years Greatly Reduced

Improved commodity prices gave to packers during the season just ending a more cheerful outlook with which to approach the crop of 1933. Because of the losing experiences of the previous two years, however, less acreage had been contracted for early in the year and on top of that crops of most vegetables and of peaches were somewhat below the average in size. More attention is being paid to the British market and its opportunities even though the British canning industry is itself developing by leaps and bounds.

The heavy carryovers of former years are considerably reduced and higher prices, it was thought, would obtain throughout 1933. However, a lot of tomatoes were sold during the summer on a basis of $1 or $1.02 a dozen but with the proviso that anything left on the shelves would be rebated on the basis of 80 cents. A number of large distributors held back on sales and therefore obtained a large part of their purchases at 80 cents a dozen. At present tomatoes are retailed at what is considered a low price but most independents got rid of their tomatoes and it is thought that prices may firm up later.

Tomato Crop Short

Canadian Grocer, in a recent number, questions whether or not there are sufficient tomato stocks, with the addition of the canned tomato pack of 1933, to carry the trade through until the 1934 season. The pack has been shorter than any one of the past five years and will be considerably less than Canada's canned tomato requirements. The carryover which is an unknown quantity, will, therefore, have to fill the blank.

It is estimated that the carryover is between 400,000 and 500,000 cases 2½'s. One forecast of the 1933 pack is 1,300,000 cases which would make the total stock available nearly 1,800,000.

The average yearly consumption, however, has been more like 2,000,000 cases. Prices are higher this year and that may possibly affect the consumption to some extent. Ontario has been a great packer of tomatoes, its record pack of 2,472,089 cases of 2½'s in 1930 having been responsible for much of the overproduction in canned tomatoes. Since that time there has been declining production, mainly because of the low prices received.

Opening up of lumber operations and construction work should be a stimulant to demand for canned tomatoes.

A somewhat similar position exists in the United States so that the consumer cannot expect relief from that quarter. It is even possible that higher prices in the United States may lead to some exports from Canada.

More Tomato Juice Packed

The packers have responded to public demand by packing a great deal more tomato juice than in 1932 in spite of the short crop. In 1932 it was 310,340 cases or nearly 140,000 greater than 1931.

Canned tomatoes at the factory are running all the way from 92½ to 97½ for standard, 97½ to $1.02½ storage 2½'s. The canned corn pack is small this year but there will likely be enough. There was a considerable carryover and corn does not sell so well as tomatoes and peas. The pack of canned peas was small and prices have gone up and continue firm.

The pack of peaches in Ontario is proving considerably less than in 1932. The crop was short on account of weather conditions during the summer months. Some of the larger companies do not think they will have much more than 60 to 70 per cent of last year' pack.

Canadian Canners, Ltd., is staging its annual Aylmer Soup Week from November 13 to November 20. It reports a good reception from retailers to date.

MILK SPREAD OF DAIRY UNITS UNDER FIRE

National Dairy Council Claims Milk is Utility

COMPANIES REPLY

Bare Their Books to Committee of Federal House of Commons

Most important event in 1933 for the dairy industry of Canada was the investigation made by the select standing committee of the Dominion House of Commons on agriculture and colonization into the spread of milk prices from producer to consumer in various Canadian areas. The committee went exhaustively into every detail connected with prices paid farmers in any milk area, the costs of getting this milk to the consuming area, the cost of processing it and the costs of delivery. They considered allegations of bootlegging of milk from farmers with surplus supply at lower prices, the statements that chain stores featured milk at low prices as a "leader" without profit and the claims that many distributing agencies covering much the same ground made delivery costs unnecessarily expensive.

Members of Parliament also probed deeply into the financial history of companies to find out whether or not financing and stock manipulation had enabled companies to pile up exorbitant profits and found a number of instances where companies from a small beginning had grown to wealth and affluence. Company representatives claimed that even where such profits had been unduly large it did not affect the present situation. They claimed also that much of the increase in modern costs result from health provisions enforced by civic authorities such as pasteurization and inspection, and from increased costs of delivery due to giving the public individual service in addition to deliveries on regular routes. "Relief" milk also reduces the average profits obtained by companies, it was stated.

Suggest Milk is Utility

The National Dairy Council of Canada proposed at their Toronto meeting that milk should be handled as a public utility with prices to producer and consumer fixed by a commission as is done in parts of the United States and at Winnipeg. The Parliamentary committee, which specially considered the whole matter, made as its chief recommendation the establishment of tribunals in various urban districts with authority to fix prices charged to consumers and prices to producers. The committee also suggested the study of methods to extend markets at home and abroad. It condemned over-capitalization, mergers, share-splitting and absorptions. No definite statement was made as to the justice of a six-cent spread between producer and consumer.

Some relief came to the situation by reason of commodity price increases in 1933 diverting many farmers to other forms of farming. Drought in some parts of Ontario interfered with the milk supply and fears were even expressed as to the adequacy of the supply of feed for cattle through the winter. Authorities tell The Financial Post there will be enough and this is not likely to affect the situation. In Winnipeg some newspapers claim that the control of prices by a commission has resulted in producers and distributors getting together and settling on a price to the possible detriment of the consumer as the latter is not consulted. Some distributors claim, however, that the tendency is for prices to be raised to the producers and dropped to the consumer in important particulars because producer and consumer have the voting power and that distributors suffer. Full information will be forthcoming at some time and will be eagerly studied because results will indicate how far such a solution can be applied elsewhere. Apparently it will not touch the vexed question of prices for surplus milk and its disposal for making butter, cheese or for other purposes at lower prices.

Living Costs Slightly Down At September 1

After making a 3 per cent increase at August 1, living costs declined slightly again at the beginning of the following month due to a slight recession in food costs, according to the monthly compilation of the Department of Labor prepared for The Financial Post. Just as the increase last month in food costs was general so the decline is common to nearly all the leading cities of the Dominion.

Cost of food for a family of five is estimated by the Department of Labor to have been $7.24 at September 1 as compared with $7.43 at the beginning of the previous month. Seasonal increases in prices of butter, eggs, milk, etc., will probably result in an increase in this figure at October 1.

Fuel costs show some increases, particularly in the larger cities, but the Dominion average is only one cent higher than at August 1, the current figure being $2.83. There has been no change in the rental figure for some months past, the September 1 figure remaining at $5.67.

Wholesale Prices of Foods, Beverages and Tobacco

(Base, 1926 = 100)

	Jan. 1931	Jan. 1932	Sept. 1932	Jan. 1933	June 1933	July 1933	Aug. 1933	Sept. 1933
Beverages	71.8	70.7	69.5	68.7	65.3	65.3	65.7	64.9
Flour and milled products	60.0	58.7	63.5	50.9	57.9	72.9	64.0	60.5
Bakery products	83.0	81.9	81.7	81.9	81.2	81.2	81.2	81.2
Fish	84.7	71.9	61.3	60.0	60.6	61.3	64.9	65.4
Fruits	92.0	79.1	82.9	80.7	82.9	82.7	80.2	76.3
Meats and poultry	89.6	58.8	54.7	46.9	55.7	55.0	53.6	53.6
Milk and milk products	87.0	65.0	60.6	60.4	57.3	58.2	59.0	60.0
Sugar and its products	77.5	77.1	73.7	70.3	106.7	108.6	108.6	108.8
Vegetables	55.2	32.7	43.4	47.7	53.2	70.4	67.8	55.1
Eggs	88.1	67.2	65.0	65.0	42.0	45.6	46.2	55.9
Tobacco	68.1	50.3	50.3	50.3	44.6	44.6	44.6	44.6
Group total	79.9	63.6	61.8	59.5	64.1	67.8	66.4	64.7

What is generally regarded as a definite upturn, after over three years of declining prices, took place in wholesale food prices in March and though this upturn was halted in August, the September average is 11 per cent above the low point of February. Retail food prices were slower in reacting to the rise but show a steady increase over the same period. The Dominion Bureau of Statistics index of retail food prices for September is 9 per cent above the February low.

On the basis of an index where the average for 1926 equals 100, it will be seen that retail food prices remained practically at that level from 1926 to 1931. The decline actually started in the fall months of 1931 and was continued until February, 1933, when a low point of 60.4 was reached, this being the lowest point reached since the index was compiled in 1913. Wholesale food prices, on the other hand, as judged by the Dominion Bureau's index, commenced to decline in 1930 and finally reached a low point in February of this year at 58.3.

Dairy Securities

DAIRY CORP.

Difficulties Arise from Incomplete Financing Prior to Depression

Dairy Corp. of Canada, through its subsidiaries, reflected in reduced earnings varying phases of the economic depression in all sections of Canada as the falling off in general business became more pronounced. The company eventually was obliged to ask that bond interest on $950,000 6 per cent debentures be deferred for one year and that the sinking fund be cancelled for five years from January 1, 1933. A further extension may be necessary.

It is understood that the company will use the amounts otherwise due for interest in reducing bank loans which stood at $500,468 at the end of 1932. These loans were largely secured.

The troubles of the company in 1932 and 1933 were attributed to increasing taxes, milk wars in certain cities where it operated, cool summers in 1932 and 1933 in Montreal district, where it sells most of its ice cream, sales of relief milk at low prices in nearly every district where it operates and the depression which prevented the company's financing being completed just as the company was getting into its swing.

In practically every city except Winnipeg the company's subsidiaries are reported to have been holding their own in the face of the difficulties mentioned. In Winnipeg the existence of a Utilities Commission is claimed by the companies to have resulted in an attempt to give higher prices to producers and on the other side to prevent the increase being passed on to consumers. The companies have claimed that they are being squeezed between the upper and lower mill-stones. Some changes have been made as a result of the complaints but companies state that operations are yet unprofitable.

Capitalization—	Authorized	Issued
Pref. 6% cum. Par $100.	$3,000,000	†$1,230,800
Class A com.‡ No par value.	150,000 shs.	27,448 shs.
Class B com. No par value.	50,000 shs.	36,300 shs.

†In addition $315,000 is held by subsidiaries.

‡Sufficient class A shares are reserved for stock purchase warrants attached to the debentures and preference shares. The company also has granted options on 10,000 class B shares.

Funded Debt—

Sinking fund gold debs., 6 per cent, due 1945, series A, issued $500,000; series B, due 1945, issued $500,000; outstanding series A and B in hands of the public, $745,000. In addition, $50,000 held by Edmonton City Dairy. $194,000 debentures are pledged as security for bank loan; $11,000 were purchased for redemption during 1932.

Interest Deferred—At special meeting of debenture holders held Feb. 10, 1933, interest payments due Jan. and July 1, 1933, were deferred for one year, and sinking fund payments were cancelled for five years commencing Jan. 1, 1933. Deferred interest payments will bear interest at 6 per cent per annum.

Dividend Record—

Preferred—Entitled to 6 per cent cumulative, payable 1st Jan., Apr., July and Oct.; paid regularly Oct., 1929 to Oct. 1, 1931; none since.

Common—None paid.

Subsidiaries—

City Dairy, Ltd.

Purity Dairy Products, Ltd.—Formerly the Davis Dairy, Ltd. Engaged in wholesale and retail milk business in Saskatoon, Sask. Dairy Corp. owns all common stock.

Edmonton City Dairy, Ltd.

Montreal Dairy Co., Ltd.

The Prairie Creameries, Ltd.—Regina, Sask. Owned outright.

The Purity Dairy, Ltd.—Regina, Sask. Controlled by Dairy Corp.

Purity Ice Cream Ltd.—Winnipeg, Man. Controlled by Dairy Corp.

Canada Dairies, Ltd.—Toronto. Incorporated to take over company of same name. Control bought by Dairy Corp. in 1931.

Funded Debt—6 per cent first and refunding mortgage S. F. bonds, due 1951, outstanding $147,000.

Interest in Other Companies—

United Dairies, Limited—As at Dec. 31, 1932, Dairy Corp. held 5,000 common shares.

Woodland Dairies, Limited—As at Dec. 31, 1932, Dairy Corp. held 27,000 shares.

Head Office—80 King St. W., Toronto.

Officers and Directors—

Officers—J. A Caulder, pres. and man. dir.; R. A. Daly, vice-pres.; W. G. Brown, sec.; H. W. Tasker, treas.

Directors—J. A. Caulder, R. A. Daly, A. H. C. Beairsto, W. P. Fess, A. W. McLennan, J. A. McFeeters, J. P. Walwyn, Toronto, Ont.; J. M. Carruthers, Winnipeg; W. Ardern, Calgary; W. W. Prevey, Edmonton; F. E. M. Robinson, Richmond, P.Q.

	1932	1931	‡1930
Times Deb. Int. Earned	nil	3.60	19.55
Earnings per Share and Dividend Record—			
Preference: Earned	nil	$6.82	$13.23
Paid	nil	4.50	9.00
Class A: Earned	nil	†0.37	*4.43
Paid	nil	nil	nil
Class B: Earned	nil	nil	*1.01
Paid	nil	nil	nil

*After deducting preference dividends actually paid.

†After deducting full year's dividend on outstanding preference.

‡June 10, 1929 to Dec. 31, 1930.

MONTREAL DAIRY

(Controlled by Dairy Corporation)

Capitalization—	Authorized	Outstanding
Class A com.	100,000 shs.	31,520 shs.
Class B com. n.p.v.	100,000 shs.	100,000 shs.

As at Dec. 31, 1932, 21,520 class A and 91,634 class B shares owned by Dairy Corp.

Funded Debt—

6 per cent 1st mtge. S. F. bonds, due 1950, outstanding $1,000,000.

7 per cent gen. mtge. gold bonds, due 1945, outstanding $500,000; $333,000 of which are in the hands of the public, the remainder being owned by Dairy Corp.

Dividend Record—

Class A—Entitled to $1.75 per annum, cumulative, payable Jan., Apr., July and Oct. 1; paid regularly from April 1, 1931, to April 1, 1932; none since.

Class B—Initial dividend of 50c. per share paid Dec. 1, 1931; none since.

Head Office—Montreal.

Officers and Directors—

Officers—C. H. Cattelli, pres.; J. A. Caulder, vice-pres.; D. L. Grabill, sec. and mgr.; F. W. Paynter, treas.

Directors—C. H. Cattelli, F. E. M. Robinson, Dr. L. del Harwood, Montreal; J. A. Caulder, R. A. Daly, Toronto.

Times Bond Interest Earned—

		1932	1931
Before depreciation	1.23	3.73	5.17
After depreciation		0.80	2.12

Earnings per Share and Div. Record—

Class A: Earned	nil	$3.38
Paid	$0.43¾	1.75
Class B: Earned	nil	0.51
Paid	nil	0.50

CITY DAIRY, LTD., of Winnipeg

(Controlled by Dairy Corporation)

Capitalization—	Authorized	Outstanding
Pref. 8% cum.	$250,000	$250,000
Pref. 7% non-cum. Par $100.	200,000	200,000
Common, n.p.v.	25,000 shs.	18,743 shs.

All common stock owned by Dairy Corporation.

Funded Debt—

6 per cent 1st mtge. S. F. bonds, series A, due 1948, outstanding $229,000; series B, due 1950, outstanding $191,000.

Dividend Record—

Preferred—8 per cent cumulative, 7 per cent non-cumulative, payable Jan., Apr., July and Oct. 1; both paid regularly from incorporation to April 1, 1932; none since.

Common—Initial dividend of $1 paid April 1, 1931; 50c. paid Nov. 1, 1931; none since.

Officers and Directors—

Officers—J. M. Carruthers, pres. and gen. man.; J. A. Caulder, vice-pres.; R. J. L. Ball, asst. gen. man.; J. Russell, sec.-treas.

Directors—J. M. Carruthers, E. W. McLean, W. R. Miltno, R. J. L. Ball, W. T. Kennedy, Winnipeg; J. A. Caulder, Toronto.

Times Bond Interest Earned:

	1932	1931	1930
Before depreciation	1.23	3.78	5.17
After depreciation	0.30	2.81	3.93
Earnings per Share and Dividend Record—			
8% pref.: Earned	nil	$17.64	$25.43
Paid	$2.00	*8.67	8.00
7% pref.: Earned	nil	11.22	21.79
Paid	1.75	*7.58	7.00
Common: Earned	nil	0.39	1.59
Paid	nil	1.50	nil

*13 months' dividend to adjust payment dates.

EDMONTON CITY DAIRY

(Controlled by Dairy Corporation)

Capitalization—	Authorized	Outstanding
Pref. cum. Par $100.	$1,000,000	$787,000
Common No par value.	30,000 shs.	30,000 shs.

Over 29,000 common shares are owned by Dairy Corp.

Dividend Record—

Preference—6½ per cent per annum, cumulative, payable quarterly, Jan., Apr., July and Oct. 1. Initial dividend at rate of 6½ per cent per annum, paid Apr. 1, 1929, and regularly since.

Common—Initial dividend of $1 per share paid Jan. 2, 1930. None since.

Head Office—Edmonton.

Officers and Directors—

Officers—W. W. Prevey, pres.; J. A. Caulder, vice-pres.; H. P. Madsen, sec.-treas.

Directors—W. W. Prevey, H. P. Madsen, W. A. Thomson, Edmonton; C. Burnell, North Edmonton; W. Ardern, Calgary; J. A. Caulder, Toronto.

Market Record—

	*1933 H	*1933 L	1932 H	1932 L	1931 H	1931 L
Common	..	..	..	..	15	15
Preferred	..	..	..	..	80	78½

*To October 11.

SILVERWOOD'S

Volume of Sales Up in 1933 But Profits Slightly Down

Silverwood's Limited, which from a small beginning in London in 1903 has spread all across the southern part of Ontario, conducts a large retail, wholesale and industrial business through subsidiary and associated companies in milk, cream, eggs, poultry, butter, ice cream, condensed milk, evaporated milk, powdered milk, butter milk powder and other dairy specialties as well as artificial ice. The company's milk customers served daily are more than 80,000 and in addition the company operates eight public cold storages and over 600,000 cu. ft. of space. The company has 950 employees and a payroll exceeding $1,000,000 annually.

Because of increased taxation, especially the sales tax and the sugar tax as it applies to ice cream the company's increasing business in 1933 brought returns slightly down as compared with the previous year. Because of its experience in the lean months of January, February and March the 7 per cent preferred dividend was reduced to a 4 per cent basis and that is continuing. The company, however, expects by April 1, 1934, to have used its depreciation reserve to such effect that it will have retired half a million dollars of preferred stock covering a period of two years. It has placed more than $300,000 of debentures which enabled it to reduce and make substantial payments on mortgages of subsidiaries and retire some outstanding obligations and entirely liquidate all bank accommodations. The company at this time has a better cash balance than at any time in its history. In this period of reduced dividends the company is trying to strengthen its position and to improve its balance sheet by reduction and eventual disappearance of intangible items.

The summer of 1932 was cool and ice cream sales fell off materially. There was a large increase in 1933 but because of the increased sales and sugar taxes the profits expected did not materialize. As from 15 to 20 per cent of the company's milk is going out on relief at prices cut from one to two cents a quart that business also is not profitable. Improvement of the general situation would therefore be of benefit to this as well as other companies.

Capitalization—	Authorized	Outstanding
7% cum. pref. ($100 par).	$5,000,000	$3,132,300
6% cum. pref. ($100 par).	5,000,000	....
Class A com. (No par value).	975,000 shs.	47,789 shs.
Common (No par value).	25,000 shs.	25,000 shs.

Funded Debt—

6% Collateral trust S. F. debs. Series "A," due 1942, outstanding $240,950. In addition, installments received on deferred payment subscriptions on this issue totalled $20,424 as at April 1, 1933.

Funded Debt of Subsidiaries—

7 per cent first mortgage bonds of Silverwood's Ltd., due 1937; outstanding $145,900.

6½ per cent first (closed) mortgage sinking fund bonds of Silverwood's St. Catharines Dairy, due 1943; outstanding $43,600.

6½ per cent first (closed) mtge. sinking fund bonds of Silverwood-Burke Dairy, due 1943; outstanding $1,000.

6 per cent first mtge. bonds of London Cold Storage Co., due 1938; outstanding $28,800.

Dividend Record—

7 per cent Preferred—Entitled to 7 per cent per annum, cumulative. Present rate 4 per cent per annum. Initial dividend of 1¾ per cent paid Oct. 1, 1928, and regularly thereafter to April 1, 1932, when declaration of quarterly disbursement made, but payment deferred to June 1, 1932. Payment due July 1, 1932, paid July 30, 1932; regular quarterly payments made Oct. 1, 1932, and Jan. 3, 1933; $1 per share paid April 1, July 3, and Oct. 2, 1933.

Class "A" and common, none at present; 25 cents paid quarterly from Oct. 1, 1928 to July 1, 1931; 12½ cents paid Oct. 1, 1931; none since. All three classes payable 1st Jan., Apr., July and Oct.

Subsidiaries—

As at Apr. 2, 1933, there was only $2,369 par value of the stock of subsidiaries in the hands of the public.

Silverwood's Ltd., London, Ont.; Silverwood's Storage Ltd., London, Ont.; Silverwood's St. Catharines Dairy Ltd.; Silverwood's Lucknow Creamery, Ltd.; Silverwood's Windsor Dairy, Ltd.; Silverwood's Kitchener Dairy, Ltd.; Silverwood's Elmira Creameries Ltd., and its subsidiary, Elmira Creamery Co. Ltd.; Silverwood's Chatham Dairies, Ltd.; Silverwood's Sarnia Dairy, Ltd., and its subsidiary St. Clair Ice Cream Co., Ltd.; Silverwood-Burke Dairy, Ltd., Hamilton; Silverwood's Brantford Dairy, Ltd., and its subsidiary, Brant Creameries, Ltd.; Silverwood's Peterborough Dairy, Ltd., and its subsidiary, Indian River Dairy Ltd.; Silverwood's Stratford Dairy, Ltd.; Silverwood's Woodstock Dairy, Ltd.; London Cold Storage Co. Ltd.; Silverwood's Guelph Dairy, Ltd.; Silverwood's Oxford Dairy, Ltd.; Silverwood's Toronto Dairy, Ltd.; Silverwood's Forest Produce Co., Ltd.; Silverwood's North Bay Dairy, Ltd., and its subsidiary, Davie Bros. Ice Cream, Ltd.

Associated Companies—

The company has the option of acquiring the majority of these companies at any time. Stocks controlled by A. E. Silverwood; practically no public interest.

Silverwood's Milk Products, Ltd., Toronto, Ont.; Silverwood's Cargill Creamery, Ltd.; Silverwood's Cayuga Creamery, Ltd.

Head Office—London, Ont.

Officers and Directors—

Officers—A. E. Silverwood, pres. and chm. of board; W. E. Robinson, vice-pres.; J. H. Duplan, gen. mgr; J. H. Gillies, sec.-treas.; G. Blake, asst sec.-treas.

Directors—A. E. Silverwood, W. E. Robinson, G. H. Belton, R. G. Ivey, London, Ont.; E. K. Reiner, Wellesley, Ont.; E. W. Nesbitt, Woodstock, Ont.; W. H. Carruthers, Toronto, Ont.

Earn. per Share and Div. Record:

	12 mos. ended Apr. 1 1933	12 mos. ended Apr. 2 1932	26 mos. ended Sept. 27 1930
7% pref. Earn.	$6.83	$9.00	†$8.08
Paid	6.25	7.00	3.50
Cl. "A" & com. shs.:			
Earned	nil	0.39	†0.92
Paid	nil	0.37½	0.50

† Excluding $60,000 received under dividend guarantee. Including this amount earnings on the 7 per cent preferred were $9.88 per share, and on the combined class "A" and common shares, $1.29 per share.

BORDEN'S, LTD.

Subsidiaries Have Total of $19,000,000 Net Assets in Canada

Borden's, Ltd., a holding company for more than a score of Canadian dairy companies acquired by the Borden Company, has an aggregate net tangible investment of about $19,000,000 in Canada at last reports with aggregate sales annually of about $28,000,000.

In the years immediately preceding the depression, many Canadians exchanged their share ownership in Canadian companies for share ownership in the Borden Company and it is reported that Canadians now own about 7½ per cent of the shares of the parent company, which is a New Jersey incorporation and the leading dairy firm on the North American continent.

The company's policy in Canada has been to have in every plant, management and employment in the hands of Canadians. The main contribution of the parent company has been in the pooling of experience acquired over its vast field as to best methods of production, of marketing, of manufacture of special products and as to the most up-to-date machinery to employ. A Canadian directorate is in full charge of Canadian plants and Canadian policy.

Because of the continent-wide influences bearing heavily on dairy companies, the parent company in the United States was obliged to drop its common dividend of $2 a share to one of $1.60 a share, this payment being made first on March 1, 1933, in U. S. funds.

Poor business in the late months of 1932 on top of reduced milk prices and failure of the usual sum-

(Continued on page 15)

DEPRESSION STRENGTHENS FOOD CHAINS

Merchandising Methods Improved — Costs Reduced

FEW NEW STORES

Increased Sales, Profits Per Unit is Goal — Stores Are Modernized — Carry More Lines

Every industry has been subjected to heavy strains and stresses during the last four years but few have survived better than those companies operating chains of food stores. While sales and profits of food chains have declined, particularly in the past two years, the position of the better companies has actually been improved from an operating standpoint due to more intensive merchandising methods, the improvement and enlargement of existing stores and the elimination of unprofitable stores. Many companies operating chain food stores have been able to maintain dividend payments or improve their financial position and in this respect compare most favorably with any other industry.

From 1920 to 1931 the food chains were in a period of expansion. Loblaw Groceterias Co. grew from two stores in 1920 to 95 stores in 1930; Dominion Stores Ltd. with 122 stores in 1921 increased its total to 571 stores in 1931. Since 1930, Loblaw Groceterias Co. has increased the number of its stores more slowly, and now has some 107 stores, while Dominion Stores Ltd., has closed a number of unprofitable units and amalgamated others so that its total is now approximately 510, a reduction of 52 units in the past year. Most chains show a small increase in the number of units, however.

Better Merchandising

Succeeding the era of expansion in number of stores and territory served has come a period of intensive merchandising aimed at the retention of present customers and increased sales and profit per unit. Existing stores have been modernized and enlarged. The number of lines carried has been increased; new departments have been opened. Loblaw Groceterias Co., as an example, has installed meat departments in ten stores in the last year; contemplates others. More stress has been placed on service, particularly by chains such as Dominion Stores Ltd. and Stop and Shop. Display of goods has been studied more intensively and improvements made that will tend to increase sales.

Profits of the food chains depend largely on dollar volume of sales. Sales have been curtailed first by drastic declines in commodity prices and secondly by decline in the purchasing power of the public which tends to purchase lower priced lines. As a result of this bargain hunting psychology the chains have had to face new competition from so-called super-markets, where a great variety of lines are carried in addition to meats and groceries, and particularly from "warehouse" groceries where service is small but the customer selects packaged foods direct from the case; pays lower prices. Opening of such stores affected sales of the longer established chains but chain store executives believe that they can compete with both supermarkets and warehouse stores. The latter, they claim, are a by-product of the depression and will not continue to be an important factor once employment is more general and purchasing power of the public is increased. Supermarkets must draw customers from a considerable area and are therefore likely to be more affected by adverse weather conditions.

This article would not be complete if it did not draw attention to the important fact that the buying groups are the chains affiliated with wholesalers can now meet the chain prices and service. The chain's edge is gone very largely and future competition will be on an even basis, it is probable.

One other factor of importance in 1933 is the number of families who are on civic relief. Chain stores, as a whole, do not benefit by relief orders and many persons on relief were former customers. As employment becomes more general these families will no longer require civic relief and will again purchase from the chain stores.

Prices Higher in 1933

January and February, 1933, were extremely bad months for chain stores as well as other industries from the standpoint of sales. There is reason to believe, however, that various chains took advantage of the low prices prevailing to build up inventories and benefitted from increases in wholesale prices that started in March, 1933. Retail prices of food hardly started to go up until July and it was not until mid-summer that dollar volume of sales began to show some improvement in comparison with sales in 1932. This improvement is still rather negative in character and is reflected in smaller decreases from sales in 1932 rather than positive increase in 1933 sales over sales in 1932. Physical volume of business in 1933 is not greatly below the 1932 level so that higher commodity prices will result in higher dollar volume of sales.

In the past two years the chains have had to pay higher taxes. Not only have sales taxes and income taxes been increased but business taxes are higher. Stores have been taxed and in 1933 an increased tax on warehouses was put into effect in Ontario. Where the profit per store has been small, as in the case with Dominion Stores Ltd., increased taxes have been responsible for

(Continued on page 12)

Chain Food Stores

LOBLAW GROCETERIAS

Profits Well Maintained Despite Drop in Dollar Volume of Sales — Meat Departments Added to Ten Stores

Loblaw Groceterias Co. operates some 107 stores in Ontario which handle all types of groceries and some of which during the past year have taken on lines of vegetables, fruits and ready-cut meats. In the past year meat departments have been opened in some ten stores. In common with other chain grocery stores, dollar volume of sales has shown marked decline in the past two years but unlike many other chains, net profit has been fairly well maintained so that in the year ended May 31, 1933, the company earned $1.18 per share on the class A and class B stock as compared with $1.23 per share in the preceding year. Annual dividend of 80 cents per share has been well covered but it is understood the company is unlikely to pay a bonus this year as was done in 1932.

The company has shown a rapid expansion since it was formed in 1920 with two stores. Operations centre around Toronto where a modern warehouse is located in which the company carries on various manufacturing operations which in themselves provide a profit. The company maintains a higher than average inventory in each of its stores and the sales per store and earnings per store are substantially higher than the corresponding figures of other grocery chains operating on this continent. Because of the type of store operated, stores have generally been opened only in urban centres of fairly dense population although the company recently declared a policy of opening smaller stores in smaller towns throughout the province. No stores of this type have as yet been opened. The company has a substantial interest in a chain of some 50 stores operating in New York State but as yet has had no return on its investment in this subsidiary.

The company has an exceedingly strong liquid position with current assets of some $3,840,000 of which approximately $2,300,000 is in cash or liquid investments and the remainder in merchandise inventories. Working capital exceeds $2,900,000 and ratio of current assets to current liabilities is 4.11 to 1. Following the death of T. P. Loblaw, founder of the business in April, 1933, J. Milton Cork, who had been associated with Mr. Loblaw since the inception of the business was appointed to succeed Mr. Loblaw as president.

Capitalization—

	Authorized	Outstanding
Class "A" ..... (No par value.)	600,000 shs.	454,726 shs.
Class "B" .... (No par value.)	*600,000 shs.	383,300 shs.

Funded Debt—
None.

Dividend Record—
Present rate 80c. per annum on both "A" and "B" stock; class "A" entitled to cumulative preferred dividend of 50c. per annum, and equal participation with class "B" after payment of 50c. per share on class "B"; both payable 1st March, June, Sept. and Dec. Initial dividend of 12½c. per share on both stocks paid June 1, 1929; and quarterly thereafter to Dec. 1, 1929; increased to 20c. per share March 1, 1930 and regularly since. Bonus of 20c. per share on both "A" and "B" shares paid Dec. 1, 1932.

Affiliated Company—Loblaw Groceterias, Inc.

Head Office—Toronto.

Officers and Directors—
Officers—J. Milton Cork, pres. and gen. mgr.; Charles B. Shields, vice-pres. and asst. gen. mgr.; Daniel Urquhart, vice-pres., sec. and treas.
Directors—J. Milton Cork, H. G. Muntz, Charles B. Shields, Daniel Urquhart, M. W. Waddington, Toronto.

Earnings per Share and Dividend Record:

Year End. May 31:	1933	1932	1931
Classes "A" & "B":			
Earned	$1.18	$1.23	$1.27
Paid	0.80	0.80	0.80
Extra	0.20	..	..

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1927	629,140	242,544	902,368
1928	798,487	255,123	1,364,097
1929	922,202	416,631	1,798,996
1930	1,190,328	556,505	2,205,599
1931	1,206,635	680,673	2,225,075
1932	1,180,841	679,568	2,292,194
1933	1,131,852	883,377	2,776,088

Market Record—

	*1933 H	*1933 L	1932 H	1932 L	1931 H	1931 L
Class "A" .	21½	10¼	12⅝	9	14¾	9½
Class "B" .	21	10⅛	12	8	14¾	9

* To Oct. 11.

BUYWELL FOOD

Montreal Grocery Chain Maintains Position in Trade

Buywell Food Markets, operating a small chain of grocery stores in the Montreal area, formerly controlled and operated by Stanfords, has been reporting satisfactory sales during the current year. Adoption of new and more aggressive merchandising methods has enabled the company to maintain its position in a highly competitive market.

The company has plans in mind for the extension of its chain, but such action will likely await the raising of additional capital. At present the company is selling its preferred stock direct to the public.

Capitalization—

	Authorized	Outstanding
1st pref. 7% cum. Par $10.	$500,000	*$19,020
Common .... n.p.v.	200,000 sh.	200,000 sh.

*As at Sept. 13, 1932.

Dividends—
Initial dividend on 1st preferred paid Oct. 15, 1932, and regularly since. None paid on common.

Head Office—Montreal.

Officers—
M. Zahler, pres.; C. Burns, vice-pres.; W. A. Stanford, sec.; J. H. Magid, treas. and gen. mgr.

Economical Distribution

National Grocers Contribution to Better Business

In the important field of food distribution National Grocers Company Limited provide an economical and scientific service.

Thousands of independent retail dealers are serviced by National Grocers. These independent dealers have an intimate knowledge of their market. They are known personally, respected and trusted by their customers.

Through National Grocers' efficient system — thirty-one distributing warehouses strategically located throughout Ontario — all the economies and advantages of quick delivery, frequent replenishment of stocks, closeness to source of supply are achieved.

The National Grocers organization is an entirely Canadian institution.

NATIONAL GROCERS COMPANY, LIMITED

Head Office:
21 Front Street East, Toronto

Board of Directors:
Archie Foster, President; John Medland, Vice-President; A. Marland Woolnough, Chairman; J. H. Simpson, T. H. Kinnear, Hon. George Gordon, A. J. Major, M. D. Lemon, W. G. McLauchlan, W. H. Kenny and D. Blain.

DOMINION STORES

Number of Stores Reduced in Current Year—Earnings Expected to Improve But Dividend Not Earned in First Half of 1933

Dominion Stores Ltd. operates one of the largest chain grocery stores in Canada with stores in Ontario, Quebec, and the Maritime provinces. Operating on a low margin of profit the company depends upon volume of sales which reached a peak of $25,200,000 in the year ended December 31, 1931, at which date the company had 572 stores. Since 1931, dollar volume of sales has fallen with a resultant decline in net profit. The past year has been one of consolidation and the company has closed over 54 stores, chiefly those located in industrial sections which had suffered most severely from the depression. On the other hand, several new stores have been opened and existing stores enlarged and modernized. At present the company has some 510 stores and sales are averaging 14 per cent lower than in 1932 when sales volume was $23,000,000.

During the first six months of the current year, the company passed through its worst period to date and earnings amounted to only 55 cents per share against dividends paid of 60 cents per share. While sales still continue to be under those of the corresponding period of 1932, the operating economies effected are expected to increase the company's profits in the last six months of the year. While turnover of inventory is rapid enough to reduce inventory losses to a minimum even in periods of declining prices, higher prices on commodities during the present year should enable the company to show a profit on inventories for the first time in several years.

The company has a strong cash position and for the last three years has maintained working capital in excess of $2,500,000 while at June 17, 1933, the ratio of current assets to current liabilities was 3.11 to 1. The company has 282,382 shares of no par value common outstanding which are listed in New York, Toronto and Montreal. These common shares have an equity of $15.37 and earnings per share amounted to $1.28 per share in 1932. Increase in profit depends largely upon increase in dollar volume of sales which can be expected to materialize as commodity prices and purchasing power of the public expands.

Capitalization—

	Authorized	Outstanding
Common ...... (No par value.)	1,000,000 shs.	282,382 shs.
Pref. 6½% (Par $100.)	$5,000,000	None

Funded Debt—
None.

Dividend Record—
Common: present rate $1.20 per share per annum (U.S. funds) payable Jan., Apr., July and Oct. 1, paid regularly since July, 1929, 2% stock bonus paid June, 1930; 30c. cash extra paid Jan. 2, 1932.

Head Office—Toronto.

Officers and Directors—
Officers—Morley Smith, pres.; E. G. Wills, vice-pres.; W. F. Stewart, sec.-treas.; F. R. Paget, asst. sec.; C. F. Hatton, asst. treas.
Directors—W. S. Kies, chairman, New York; Morley Smith, E. G. Wills, W. F. Stewart, R. R. Corson, Toronto; John B. Jameson, Concord, N.H.; H. C. Strong, Geo. Armstrong, F. W. Nash, New York; Dr. C. W. Colby, Montreal.

Earnings per Share and Dividend Record:

	1932	1931	1930
Com. Earn.	$1.28	$1.85	$1.91
Paid	1.20	1.20+0.30	†1.20+2%

† Stock dividend.

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1926	412,245	193,822	515,630
1927	531,145	189,000	824,068
1928	598,819	266,062	1,113,996
1929	494,250	313,076	1,071,149
1930	601,263	335,436	1,267,003
1931	630,967	419,413	1,201,049
1932	497,033	338,858	1,113,623

Market Record—

	*1933 H	*1933 L	1932 H	1932 L	1931 H	1931 L
Com. ..	27½	12⅞	20⅛	13	24¼	13½

* To Oct. 11.

STOP AND SHOP

Reorganized Chain Store System Increased Sales Monthly in 1933

Stop and Shop, Ltd., which is the result of a reorganization of Consolidated Food Products and its subsidiary companies, achieved in 1933 the unusual distinction of having sales increase in every month over the corresponding period for 1932. Moreover, the company came into September with a profit whereas its operations to that point in 1932 had shown a small deficit of $15,000. For three years prior to the reorganization Consolidated Food Products had been unable to earn fixed charges.

Under the reorganization plan, Robert H. Hommel, who had an exceptional record as a successful builder and manager of chain store organizations, was brought in to take over management. By prompt action in elimination of 50 unnecessary and unprofitable stores and using the money obtained from the sale of unneeded assets to reduce bonds, overhead expenses were greatly reduced. There were also prompt changes in methods by the management in 110 stores retained to conform to the new conditions which arose after 1929. There has been intensive training of personnel. First fruits of these were seen in the year ended February 28, 1933, when there was a profit of $12,231 after bond interest and adequate depreciation. Evidence that this improvement has continued through 1933 is shown by the following record of sales to September 9 as compared with the same date in 1932:

MONTHLY SALES

Company's sales for the four-week periods as shown are as follows:

Four weeks period ending	1933 $	1932 $	Increase $
Mar. 25	505,601	492,058	13,543
Apr. 22	508,300	484,857	23,443
May 20	503,041	475,905	27,136
June 17 ...	466,365	449,182	17,183
July 15	423,534	402,307	21,227
Aug. 12	386,504	359,120	27,384
Sept. 9	395,059	379,243	15,816
Total	3,188,404	3,042,672	145,732

Capitalization—

	Authorized	Outstanding
Pref. 6% Cum. Par $10.	$750,000	$555,500
Common N.p.v.	*125,000 shs.	46,142 shs.

*75,000 shares are reserved for conversion of preference stock.

Funded Debt—
6% 1st Mtge. S. F. bonds, Series "A", due 1947, outstanding $666,500.

Dividend Record—
None paid on new stocks. On old Class "A" 75 cents paid in 1929; none since. On old common none paid.

Subsidiary—
Pure Food Stores, Ltd., Montreal.

Head Office—1385 Bloor St. W., Toronto.

OFFICERS AND DIRECTORS
Officers—Robert H. Hommel, pres.; H. R. Berg, George A. Wright, vice-pres.; George C. Anspach, sec.-treas.
Directors—H. B. Housser, A. D. Cobban, Robert H. Hommel, W. S. Morlock, Eugene Coste, T. A. McAuley, H. R. Berg, George A. Wright, Toronto; Brian Barrett, Kitchener.

Year Ended	1933 Feb. 25	*1932 Feb. 27
Times All Interest Earned:		
Before depreciation	2.56	0.54
After depreciation	1.34	0.08
Earnings per Share and Dividend Record:		
Preference (new):		
Earned	$0.22	...
Paid	nil	...
Common (new): Earned.	nil	...
Paid	nil	...

*11 months.

Market Record—

	*1933 High	*1933 Low
Common	10½	6

*To Oct. 11.

THRIFT STORES

Sales and Income Reported on Increase — Change in Control

Sales of Thrift Stores, Ltd., operating a chain of grocery stores in the Montreal area, have been maintained on a basis comparing favorably with that reported last year. During the quarter ended June 24, 1933, the company had sales totalling $1,104,344, or nearly $100,000 greater than for the corresponding period of last year. After providing for all senior charges, including dividends on the first and second preferred, earnings on the common stock amounted to 92½ cents for the quarterly period as against 63 cents for the same twelve weeks of 1932.

The improvement recorded this year has enabled the management to declare an initial dividend of 10 cents quarterly on the common stock.

In the last few weeks there has been a change in the management of this company, interests identified with the establishment of the enterprise having re-entered the picture. There will be no change in policy.

Capitalization—

	Authorized	Outstanding
1st pref. cum. 6½% Par $25.	$350,000	$342,750
2nd pref. 7% .... Par $10.	120,000	120,000
Ordinary .... n.p.v.	*57,000 shs.	20,000 shs.

*36,420 shares reserved for conversion of 1st and 2nd preferred shares.

Dividend Record—
1st Preference—6½ per cent per annum, cumulative from Oct. 1, 1929. Payable quarterly, Jan., Apr., July and Oct. 1. Initial dividend paid Jan. 2, 1930, and regularly since.
2nd Preference—7 per cent per annum, cumulative from Oct. 1, 1929. Payable quarterly, Jan., April, July and Oct. 1. Initial dividend paid Jan. 2, 1930, and regularly since.
Ordinary—40 cents per share per annum. Initial dividend of 10 cents paid July 1, 1933; 10 cents paid Oct. 2, 1933.

Subsidiary—
M. Rudolph Limited—Wholly-owned by parent company and earnings consolidated with those of latter.

Head Office—Montreal.

Officers and Directors—
Officers—M. Rudolph, pres.; J. Schafran, vice-pres. and gen. mgr.; T. F. Mundy, sec.-treas.
Directors — M. Rudolph, J. Schafran, Allan M. Mitchell, A. F. Byers, W. M. Hodgson, W. A. Merrill, W. E. Dunton, A. E. Howard, F. J. Campbell, all of Montreal.

Earnings per Share and Dividend Record—

Yr. end. Mar. 31:	1933	1932	1931
1st pref.: Earned§	$4.70	$4.95	$4.09
Paid	1.62½	1.62½	1.62½
2nd pref.: Earned§	3.50	3.88	2.87
Paid	0.70	0.70	0.70
Ordinary: Earned§	1.68	1.91	1.30
None paid.			

§Based on net profit which was before income tax in 1932 but after income tax and adjustments in 1931.

Four Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1930*	54,488	10,004	†29,094
1931	95,780	31,150	55,189
1932	107,131	31,150	93,296
1933	111,837	30,796	119,713

*For period from Aug. 3, 1929 to Mar. 31, 1930.
†Before income tax provision.

Market Record—

	*1933 High	*1933 Low
Ordinary	14	7½
1st preferred	30	21

*To Oct. 12.

GREAT A. & P. TEA

Continent's Largest Chain Widely Represented in Eastern Canada

The Great Atlantic & Pacific Tea Company is the Canadian subsidiary of one of the oldest chain store companies in existence and some 300 stores are operated in Canada of which slightly more than half are in the Ontario division and the remainder in Eastern Canada. This company handles fresh meat, fish and fruit in addition to groceries. There is little investment interest in the company in Canada and Canadian sales and earnings figures are not available.

The history of the Great Atlantic & Pacific Tea Company extends back to 1858 when the original company was chartered in New Jersey. The company operates throughout the United States and Eastern Canada and is now the largest retail grocery chain on the continent with some 15,000 stores.

Capitalization—

	Authorized	Outstanding
Pref. 7% cum. .. Par $100.	$50,000,000	$26,036,200
Com. voting ...	1,400,000 sh.	1,150,000 sh.
Com. non-vot. . n.p.v.	1,400,000 sh.	936,748 sh.

Dividend Record—
Preferred—7 per cent per annum, payable quarterly, Mar., June, Sept. and Dec. 1. Initial dividend of $1.75 paid Sept. 1, 1925.
Common—$6 per annum, payable quarterly, Mar., June, Sept. and Dec. 1. Initial dividend of 60c. paid Sept. 1, 1925.

Officers and Directors—
G. L. Hartford, chm.; J. A. Hartford, pres.; A. G. Hoffman, W. G. Wrightson, R. B. Smith, E. W. Haskins, vice-pres's.; G. D. Clew, treas.; R. W. Burger, sec.; J. D. Ehrgott, compt.; J. B. Breckinridge, asst. sec.; C. A. Brooks, O. C. Adams, W. J. Davidson, D. T. Bofinger, W. M. Byrnes.

CANADA VINEGARS

Has Had Consistent Record of Earnings for Many Years

Canada Vinegars, Ltd., which controls the major part of the vinegar production of Canada, has had a consistent record of earnings since the company was formed in 1928 and publicly financed. The company's history goes back beyond that incorporation to a merger of six companies in 1898 and expansion has continued until at the present time the company controls 13 plants.

There are five plants in Ontario, three in Quebec, two in Manitoba and one each in Alberta, Saskatchewan and British Columbia. The company's market is mainly in Canada.

The western plants of the company are operated by Western Vinegars which is practically owned outright by the parent company. In 1929 this subsidiary acquired the Pioneer Vinegar Co., of Edmonton, and the Premier Vinegar Co., of Vancouver.

Since incorporation in 1928 the company has paid a dividend of $1.60 and in each year has earned it. Earnings in 1932 were $1.65 a share.

Capitalization—

	Authorized	Outstanding
Common .... No par value.	100,000 shs.	92,000 shs.

Dividend Record—
Common—$1.60 per annum, payable quarterly. Dec., March, June and Sept. 1. Initial dividend of 40 cents paid Sept., 1928 and regularly since.

Subsidiaries—
Western Vinegars Ltd.—Operates western plants of parent company in Winnipeg (2), Calgary, Edmonton and Vancouver. Capital Stock: pref. 7% redeemable, cumulative, authorized $500,000, issued $311,600. $100 par; common, 15,000 n.p.v. shares, authorized and issued, 98% of capital stock owned by parent company.
The Lion Vinegar Co. Ltd. — Operates plants in Quebec province, two in Montreal and one in Quebec City. Entire capital stock owned by parent company.

Head Office—112 Duke St., Toronto.

Officers and Directors—
Officers—W. D. Wilson, pres.; C. L. Carsley, vice-pres.; A. L. Spalding, gen. mgr.; E. S. Scott, asst. gen. mgr.; E. A. Isard, supervisor of factories; F. H. Yapp, hon. sec.; Percy L. Howell, sec.-treas.
Directors—W. D. Wilson, A. L. Spalding, W. E. Young, E. S. Scott, Toronto; C. L. Carsley, A. E. Mansfield, Montreal; E. A. Isard, F. H. Yapp, Hamilton; E. L. Isard, Winnipeg; E. W. Howell, C. Fry, Norwich, Ont.

Earn. per Share and Div. Record:

	1932	1931	1930
Com.: Earned	1.65	$1.83	$1.82
Paid	1.60	1.60	1.60

Five Years Earnings—

Year	*Earnings $	Dividends $	Surplus $
1928†	256,991	73,600	120,928
1929	249,363	147,200	158,285
1930	232,588	147,200	178,988
1931	251,390	147,200	200,463
1932	233,150	147,200	204,960

*After all costs of operation, management, selling and office overhead expenses.
†Six months' period ended Nov. 30, 1928.

Market Record—

	*1933 H	*1933 L	1932 H	1932 L	1931 H	1931 L
Common	26	13½	17	9½	20	13½

*To Oct. 11.

Canada Starch

Canada Starch Co. manufactures starch and by-products at plants located at Cardinal and Fort William, Ont. The company is a consolidation of Edwardsburg Starch Co., Brantford Starch Works and the plant and trademarks of Imperial Starch Co. The company is paying preferred dividends regularly but issues no earnings statement or balance sheet.

Capitalization—

	Authorized	Outstanding
Pref. 7%	$3,250,000	$1,186,000
Common .... Par $100.	1,250,000	1,186,500

Funded Debt—
5 per cent debentures due 1948, issued $1,890,000. Convertible into preferred.

Dividend Record—
Preferred—7 per cent, non-cumulative, payable Feb. and Aug. 15; paid 1907 to 1921 inclusive, none till Feb., 1928, regularly since.
Common—None paid.

Head Office—Montreal.

Officers and Directors—
Officers—G. F. Benson, pres.; J. J. Warren, 1st vice-pres.; W. B. Blackader, 2nd vice-pres.; B. S. R. Watson, sec.-treas.
Directors—G. F. Benson, W. B. Blackader, Hugh MacKay, G. F. Benson, Jr., J. H. Hunter, E. B. Hosmer, B. S. R. Watson, Montreal; J. J. Warren, Toronto.

DEPRESSION STRENGTHENS FOOD CHAINS

(Continued from page 11)

eliminating the more unprofitable units.

The food chains usually have a sufficiently rapid turnover of inventories so that inventory losses are kept at a minimum while commodity prices are declining. Such losses have been taken, however, in the past two years and increase in commodity prices during 1933 will serve to eliminate such losses and even replace them by profit on inventories. Improvement in merchandising methods tends to increase the velocity of inventory turnover which in itself will return a large profit on capital invested.

Even as profits decline, the majority of companies operating chains of food stores are strengthening their position as a result of refinements of operations. As economic conditions improve, prices increase and purchasing power returns, the chains will get larger volume of sales which will automatically bring greater profits to shareholders. The industry as a whole is sound, its stability in a period of depression has been tested. This very stability may tend to prevent excessive appreciation in chain food company stocks in the immediate future but the real investor values stability and security rather than volatile market values for his holdings.

City Dairy

City Dairy Co., Limited

The Drimilk Co., Limited

Head Offices:

Spadina Crescent, Toronto

Plants of the Company at:

TORONTO
WOODSTOCK
EMBRO
SIMCOE
LISTOWEL
STRAFFORDVILLE
NEW LOWELL
PRINCETON

Branch Offices and Warehouses at:

MONTREAL, QUE.
WINNIPEG, MAN.
VANCOUVER, B.C.
SAINT JOHN, N.B.
LONDON, ENGLAND

Consolidated Bakeries of Canada Limited

Own and Operate

TWELVE MODERN BAKERIES in Eastern Canada

comprising

James M. Aird Ltd. - - - - - -	Montreal, Que.
James Strachan Ltd. - - - - - -	Montreal, Que.
Dent Harrison & Sons Ltd. - - - -	Westmount, Que.
Stocks Bread Ltd. - - - - - -	Peterborough, Ont.
Ideal Bread Co. Ltd. - - - - - -	Toronto, Ont.
Nasmiths Limited - - - - - -	Toronto, Ont.
Ideal Bread Co. Ltd. - - - - - -	Hamilton, Ont.
Neal Baking Company, Ltd. - - - -	London, Ont.
Neal-Norris Bakery - - - - - -	St. Thomas, Ont.
Palmer Baking Co. Ltd. - - - - -	Chatham, Ont.
Neal Baking Company, Ltd. - - - -	Sarnia, Ont.
Neal Baking Company, Ltd. - - - -	Windsor, Ont.

Each bakery in this group serves a growing community with a full line of bread and cakes.

Consolidated Bakeries of Canada Limited are also licensed by the Paediatric Research Foundation to incorporate Vitamin-D into the bread known as "Vitos Bread."

This "Vitos" bread is baked and sold by all of the above named bakeries.

Consolidated Bakeries of Canada Limited, 14 King St. E., Toronto

Milling, Baking Securities

MAPLE LEAF MILLING CO.

Large Concern Under New Management Reduces Bank Loans Somewhat — Gets All Business of Milling U. S. Brands for Export — Discriminatory Freight Rate Alleged.

Maple Leaf Milling Co., like all the other large Canadian milling companies, has been operating against considerable difficulties during the business depression, because of the high European tariffs which have shut out foreign flour and because of the fact that the reduction in exports turned the excess productive capacity of Canadian mills toward the domestic market, thus reducing prices. During the last year the improvement of British exchange with reference to the Canadian dollar and the preference given Empire products over products of other countries are regarded as improving the future outlook to some extent for this company. However, high tariffs still obtain on the Continent in markets which formerly bought a good deal of Canadian flour.

This company and other flour milling companies in Ontario claim that they are operating under a disadvantage in the export market, as compared with Montreal companies, because the latter have been given the advantage of a rate on wheat from Fort William to Montreal, which works out at a lower operating cost for the Montreal companies of about 25 cents a barrel of flour. Ontario companies have urged that a rate on wheat which would give equality of competitive opportunity with their Montreal neighbors should be established..

Operating Under New Management

By reason of almost unexampled losses of 1929 and 1930 because of unauthorized speculations by former officers, this company's assets were put in a vulnerable position that necessitated careful nursing. The company owed a good deal of money to the banks and these employed Major J. A. Nash to overhaul the company's financial methods and policies and to get capable management to take the place of the old. D. C. MacLachlan, who was formerly with Western Grain Co., was appointed general manager to manage the affairs of the company through the difficult period all flour companies have had to meet.

Mills For United States Companies

During his term, bank advances have been reduced to some extent and flour inventories are down. This company has secured nearly all of the Canadian business of milling brands for large American mills, which formerly sold in Great Britain and which desired to get the benefit of the Imperial preference. This has given greater employment to Canadian labor and resulted in purchase of more Canadian materials than would otherwise have been the case.

Earnings of the company's baking subsidiaries have fallen greatly in line with the general experience in the baking industry. Just as the milling industry in Canada is equipped to handle twice the domestic business of the Dominion, Canada apparently is over-equipped with baking companies as well. In both cases, it is believed that the reorganization going forward in the affairs of this company and its subsidiaries will have to extend to the industry as a whole to close obsolete mills and bakeries. Those who believe this is a solution of the troubles of the baking and milling industry point to England's example where rationalization is rehabilitating milling and making it probably the only currently profitable milling industry in the world.

Capitalization—

	Authorized	Outstanding
Class "A" pref. (Par $100.)	$3,500,000	$2,930,000
Class "B" pref. (No par value.)	25,000 shs.	25,000 shs.
Common (No par value.)	100,000 shs.	100,000 shs.

Of the outstanding stock, 2,305 shares of preferred "A," 1,718 shares of preferred "B" and 6,872 shares of common are held by subsidiaries.

Funded Debt—
First mortgage 5½ per cent bonds, due 1949, outstanding $4,620,500.

Dividend Record—
Preferred—7 per cent per annum, cumulative, payable quarterly, Jan., April, July and Oct. 18. Paid regularly from 1919 to and including July 18, 1930; since passed.
Class "B" preferred—6 per cent per annum, cumulative, payable semi-annually, Jan. and July 1. Initial dividend of $3 paid Jan. 1, 1930; none since.
Common—None paid since 1923, when 2 per cent was paid on old stock.

Subsidiaries—
Canada Bread Co., Ltd.
Canadian Bakeries, Ltd.
Dominion Bakeries, Ltd.
Hedley Shaw Milling Co., Ltd.
The Campbell Flour Mills Co., Ltd.
Eastern Bakeries, Ltd.
Port Colborne and St. Lawrence Navigation Co., Ltd.
Ontario Bag Co., Ltd.

Head Office—12 Monarch Road, Toronto.

Officers and Directors—
Officers—C. W. Band, pres.; H. J. Symington, vice-pres.; D. C. MacLachlan, gen. mgr.; G. H. Hand, sec.
Directors—C. W. Band, Major A. E. Nash, R. S. Waldie, J. L. Henderson, A. C. Matthews, Toronto, Ont.; H. J. Symington, E. R. Decary, Montreal; R. Cooper, Welland, Ont.; H. E. Sellers, Winnipeg.

Times Bond Interest Earned:

Yr. End. July 31:	1932	1931	1930
Before deprec. ...	*0.88	2.69	...
After deprec.	*0.34	1.74	...

Earnings per Share and Dividend Record:

7% pref.: Earn.	...	$4.90	...
Paid	...	...	8.75
Cl. "B" $6 pref.:			
Earned	...	...	...
Paid	...	...	3.00
Com.: Earned ...	...	...	...
None paid.			

* Including premium on U. S. funds.

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1926	432,758	205,100	1,933,518
1927	469,345	205,100	2,076,461
1928	469,345	205,100	2,076,461
1928	513,293	205,100	2,267,811
1929	1,209,326	205,100	2,060,161
1930	*2,868,551	313,648	103,886
1931	741,571	......	639,677
1932	265,863	......	409,090

* For 16 months.

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Common ..	10¾	3	5	2	8	6
Pref. "A" .	25	5	20½	8	40	10

* To October 11.

CAN. BAKERIES

Experiencing Adverse Business During Depression in Western Canada

Canadian Bakeries, Ltd., which is controlled by Maple Leaf Co., has not been able to make any money on its shares since 1929 when $26.97 a share was shown on the first preferred, $19.12 on the second preferred and $6.06 on the class A common stock.

The company's losses are due to the current economic depression and the price wars encountered nearly everywhere during the depression period in the selling of bread. This situation was made worse because just before the depression there were losses due to unauthorized trafficking in grain on the Winnipeg Grain Exchange by former officers.

The company's bakeries are located at Vancouver, Victoria, New Westminster, Edmonton, Lethbridge, Calgary, Moose Jaw, Regina, Sask., Swift Current and Prince Albert. It can make 1,500,000 loaves of bread weekly when at capacity but actual production in recent years has been somewhere around 50 per cent of capacity. Improvement in western business conditions would give a much more favorable background for the company.

Head Office—Calgary.

Officers and Directors—
Officers—C. W. Band, pres.; R. W. Ward, vice-pres. and gen. mgr.; D. A. Ross, sec.-treas.
Directors—C. W. Band, F. J. Coombs, Major A. E. Nash, R. S. Waldie, Toronto; John Burns, R. W. Ward, Calgary; E. Buckerfield, W. J. Blake Wilson, Vancouver; H. M. E. Evans, Edmonton.

Capitalization—

	Authorized	Outstanding
1st pref. 7% cum.	$1,000,000	$ 913,000
2nd pref. 7% cum. Par $100.	1,000,000	1,000,000
Common "A"	20,000 shs.	20,000 shs.
Common "B"* n.p.v.	20,000 shs.	nil

* Authorized for conversion of 2nd preferred.

Funded debt—
6½ per cent first mortgage sinking fund bonds, due 1945, outstanding $692,300.

Dividend Record—
First and second preferred: entitled to 7% cumulative, payable 15th Mar., June, Sept. and Dec. First preferred, paid regularly from 1925 to Mar., 1931; reduced to $4 with payment of $1 June 15, 1931, passed Dec. 15, 1931, and since. 2nd preferred paid regularly to Sept. 15, 1930; none since. Common: none paid.

Times Bond Interest Earned:

Yr. end. Aug. 31:	1933	1932	1931
Before deprec.	$0.95	$1.30	$2.43
After deprec.	....	....	0.32

Earnings per Share and Dividend Record:

1st pref.: Earned .	nil	nil	nil
Paid	nil	nil	$5.50
2nd pref.: Earned	nil	nil	nil
Paid	nil	nil	nil
Class "A" com.:			
Earned	nil	nil	nil
None paid.			

Six Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1926	418,356	139,825	32,772
1927	429,306	139,125	70,108
1928	434,446	138,425	113,612
1929	535,020	137,725	234,784
1930	192,934	137,025	74,422
1931	116,524	52,050	822
1932	59,647	....	10,260
1933	42,238	......	*28,396

*Deficit.

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Class "A"	2½	2	1¼	1¼	16	9¾
1st Pref.	10	5	14	5	35	31

* To Oct. 11.

NEVER EQUALLED in 75 YEARS

CANADA'S FINEST SODAS..
A Product of
McCormick Mfg. Co. Limited
ESTABLISHED 1858
London, Ontario
A Division of Canada Biscuit Company, Limited, Largest Manufacturers of Biscuits and Confectionery in Canada.

CANADA BREAD

Increased Taxes, Competition and Relief Sales Caused Drop in Earnings

Pressure of low prices, higher taxes and unprofitable relief business caused net earnings of Canada Bread Co. for the year ended June 30, 1933, to drop from $451,763 to $257,182. Various interest receipts brought this amount up to $288,702 but—after depreciation on an adequate scale and a reserve of $30,000 for doubtful accounts—there was a net deficit of $3,086 before appropriations for dividends.

Increased taxation, especially the sales tax of 6 per cent on cakes, rolls and sweet goods and the tax of 2c. a pound on sugar, increased the expenses of the company more than $100,000 in its last fiscal year. The management of the company is endeavoring to secure co-operation throughout the industry with the object of establishing "a fair price for both the producer and consumer," in the words of Henry F. Gooderham, president, in the report to shareholders.

At the annual meeting the board of directors was changed materially, Mr. Gooderham retiring and M. C. H. Carlisle, president of Goodyear Tire and Rubber Co., being appointed president.

Canada Bread Co. is a consolidation of five companies that owns 25 bread and cake-making plants in Canada. In its last year it expanded operations into Guelph, Cornwall and Kingston where it is now baking bread. The company distributes bread in various centres of Montreal to Winnipeg inclusive. Plant and equipment in all the operating plants has been kept in a state of high efficiency, it was stated, though various further suggestions were given by Mr. Gooderham in his retiring address.

Capitalization—

	Authorized	Outstanding
Common (n.p.v.) .	200,000 sh.	200,000 sh.
1st pref. 7%	$1,250,000	$1,250,000
B pref. 7%	2,500,000	2,500,000

Par $100. Majority of the common stock is held by Maple Leaf Milling Co.

Funded Debt—
6 per cent first mortgage sinking fund bonds, due 1941, outstanding $987,300.

Dividend Record—
1st Preference—Entitled to 7 per cent per annum, non-cumulative, payable quarterly 1st Jan., April, July and Oct. Paid in full up to June 30, 1933. Payments applicable to the fiscal year ended June 30, 1933 were made as follows: Oct. 1, 1932, $1.75; Jan. 1, 1933, $1.75; April. 1, 1933, $1; June 30, 1933, $0.75 and Aug. 15, 1933, $1.75—total $7. Payment due Oct. 1, 1933 deferred.
2nd Preference—Entitled to 7 per cent non-cumulative; paid at this rate quarterly same dates as 1st preferred from 1926 to July 1, 1931; payment deferred Oct. 1, 1931; 50c. paid Dec. 1, 1931, and March, June and Sept. 1, 1932; none since.
Common: None at present; reduced from 75c. to 50c. per annum March 1, 1931; none since.

Head Office—224 Davenport Road, Toronto.

Officers and Directors—
Officers—C. H. Carlisle, pres.; J. H. McConnell, 1st vice-pres.; C. W. Band, 2nd vice-pres.; A. V. Loftus, gen. mgr.; W. S. Antliff, sec.
Directors—J. H. McConnell, C. W. Band, C. H. Carlisle, C. B. Shields, A. V. Loftus and R. S. Waldie, all of Toronto, and H. J. Symington, Montreal.

Earnings per Share and Dividend Record—

Yr. end. June 30:	1933	1932	1931
First pref.: Earned	....	$15.70	$16.41
Paid	$7.00	7.00	7.00
Cl. B pref.: Earned	....	4.35	4.71
Paid	0.50	1.50	7.00
Common: Earned	....	....	....
Paid	....	....	0.62½

Seven Years Earnings—

Year	*Earnings $	Dividends $	Surplus $
1927	†802,803	387,500	1,500,991
1928	917,957	412,500	1,796,637
1929	952,032	412,500	1,987,249
1930	701,922	412,500	2,004,075
1931	467,956	387,500	1,821,750
1932	451,763	125,000	1,642,981
1933	257,182	100,000	1,539,896

†After income tax.
*Less bond interest.

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Common ...	9¼	1¼	4	1	7¼	2¾
Pref. A	75	40	85	80	100	87
Pref. B	31	8	25	10	80	55

*To Oct. 11.

DOM. BAKERIES

Maple Leaf Subsidiary Cutting Out Unprofitable Operations

Dominion Bakeries has been suffering in 1933 as in 1931 and 1932 from the intense competition continuing in the baking industry. Its shareholders, near the end of 1931, approved a plan whereby Maple Leaf Milling Co. would supply the management for Dominion Bakeries free of cost. Conditions in the industry have prevented any marked improvement.

Exclusive voting privileges are now vested in the first preferred shareholders because of the passing more than a year ago of the fourth quarterly dividend, but these have preferred the arrangement noted.

During the year ended August 31, 1932, the company made many economies, including the ceasing of operations at several different points and sale of plant at another place. In five other points the bakeries were rented. At one point the business was discontinued and the territory served by a nearby branch.

At that time current liabilities were $258,051 and current assets $65,085. Bank loan had then been reduced to $12,000, but accounts payable were $265,930.

Capitalization—

	Authorized	Outstanding
1st pref.	$2,000,000	$725,000
2nd pref. .... (Par $100.)	250,000	210,000
Common .... (No par value.)	100,000 shs.	25,007 shs.

1st pref.—6½ per cent, cumulative, redeemable at 105.
2nd pref.—6½ per cent, cumulative from March 1, 1930, redeemable at par; convertible at the option of the holder into four common shares.
A majority of the second preferred and common stock is owned by the Maple Leaf Milling Co.

Funded Debt—
None.

Dividend Record—
First Preferred—6½ per cent per annum, cumulative from Sept. 1, 1928, payable quarterly Mar., June, Sept. and Dec. 1. Initial payment of $1.62½ per share was made on Dec. 1, 1928, which rate continued up to and including Sept. 1, 1930. None since. Second Preferred—6½ per cent per annum, cumulative from March 1, 1930. No dividends have been paid on this stock to date. Common—None paid.

Head Office—12 Monarch Rd., Toronto.

Officers and Directors—
Officers—C. W. Band, pres. and gen. mgr.; G. A. Scrimger, sec.-treas.
Directors—G. A. Mackey, C. W. Band, D. C. MacLachlan, C. S. Band, R. S. Waldie, Major A. E. Nash, Toronto, A. F. Culver, Montreal.

Earnings per Share and Dividend Record:

	1932	1931	1930
First Pref.: Earn.	nil	nil	nil
Paid	nil	nil	$6.50
*Sec. Pref.: Earn.	nil	nil	nil
None paid.			
†Com. Earned	nil	nil	nil
None paid.			

* Cumulative from March 1, 1930.
† Calculated as if dividends had been paid on second preferred stock.

Four Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1929	90,378	37,375	38,055
1930	31,842	47,125	5,795
1931	*57,375	....	†110,822
1932	*91,740	....	†300,971

* Loss. † Deficit.

WESTERN CANADA

Large Ontario Milling Co. Adopts Cash Conserving Policy

Western Canada Flour Mills Co., which until 1931 had had a record of continuous payments of common dividends since 1905, has been meeting extraordinary difficulties in the last two years, as have all other milling companies. A stronger price structure in the summer months gave hopes that better times were ahead for the industry, but since August a lull has developed along with the lower prices for wheat.

In order to conserve working capital the company changed the dividend on its 6½ per cent cumulative preferred stock to a $3 annual basis when it paid 75 cents a share on March 15 for the quarter ended February 28. Throughout 1931 and 1932 the company maintained the full 6½ per cent rate by transferring large amounts from the general reserve. The unusual length and severity of the depression has led to this policy of conserving funds.

The company owns and operates flour and cereal mills at Goderich, Ont., Winnipeg and Brandon, Man., Calgary and South Edmonton, Alta., and Victoria, B.C., with a total capacity of 10,000 barrels of flour and 1,000 barrels of rolled oats, oatmeal and other breakfast cereal foods daily. It owns also 83 country elevators and 10 terminal elevators with a total capacity of 2,360,000 bushels. The combined total storage capacity is 4,760,000 bushels.

Capitalization—

	Authorized	Outstanding
Common .... (No par value).	150,000 shs.	135,000 shs.
Pref. 6½% cum. . ($100 par).	$3,000,000	$2,413,000

Funded Debt—
None.

Dividend Record—
Preferred—Entitled to 6½% cumulative payable 15 March, June, Sept. and Dec., paid regularly to Dec., 1932; reduced to 3% with payment of 75 cents Mar. 15, 1933.
Common—None at present. Dividends paid on common from 1906 to 1931. Rate was $1.40 per annum quarterly from 1926 to March 15, 1931; none since.

Subsidiaries—
(Entire capital stock owned)
The Brackman-Ker Milling Co., Ltd.
Purity Flour Mills, Ltd.
Purity Baking Company, Ltd.
The Dominion Salt Co.

Head Office—293 Macpherson Ave., Toronto.

Earnings per Share and Dividend Record:

	1932	1931	1930
Pref.: Earned ...	*$5.67	*$7.27	$9.07
Paid	6.50	6.50	6.50
Com.: Earned ..	nil	*0.13	0.53
Paid	nil	0.70	1.40

* After taking into consideration transfer from general reserve.

Officers—D. B. Hanna, pres.; A. J. Mitchell, vice-pres.; R. G. O. Thomson, sec.; R. A. Pridham, treas.; J. J. Page, gen. mgr.; J. H. Horn, asst. gen. mgr.

Directors—D. B. Hanna, A. J. Mitchell, Sir John Aird, R. G. O. Thomson, J. J. Page, J. H. Gundy, Toronto; Hon. G. H. Barnard, R. H. B. Ker, Victoria; Sir H. Laporte, Montreal; J. Davidson, London, Eng.

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Com.	18	4	8	5½	17½	6½
Pref.	70	45	60	54	96	70

* To Oct. 11.

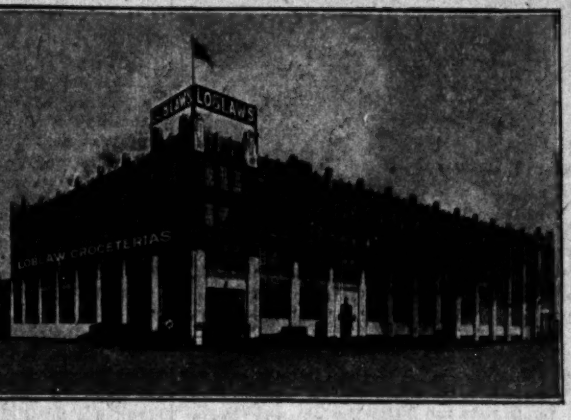
Seven Years Earnings—

Year	*Earnings $	Dividends $	Surplus $
1926	328,096	256,625	607,207
1927	388,797	282,670	713,334
1928	409,397	301,750	820,981
1929	556,352	321,722	1,005,612
1930	221,416	321,893	905,135
1931	175,431	252,249	828,317
1932	136,885	156,845	808,357

* After depreciation, income tax and reserve for doubtful accounts, etc.

LOBLAW'S Set the Pace

By Meeting Modern Demands with Modern Methods



The Finest Grocery Warehouse on the American Continent
Designed and equipped for the sanitary and economical handling of food products.

THE Loblaw Organization is strictly a "Quality-House," bringing within the reach of every one at all times —the freshest of foods at consistently low prices.

108 Groceterias and Markets throughout Ontario.

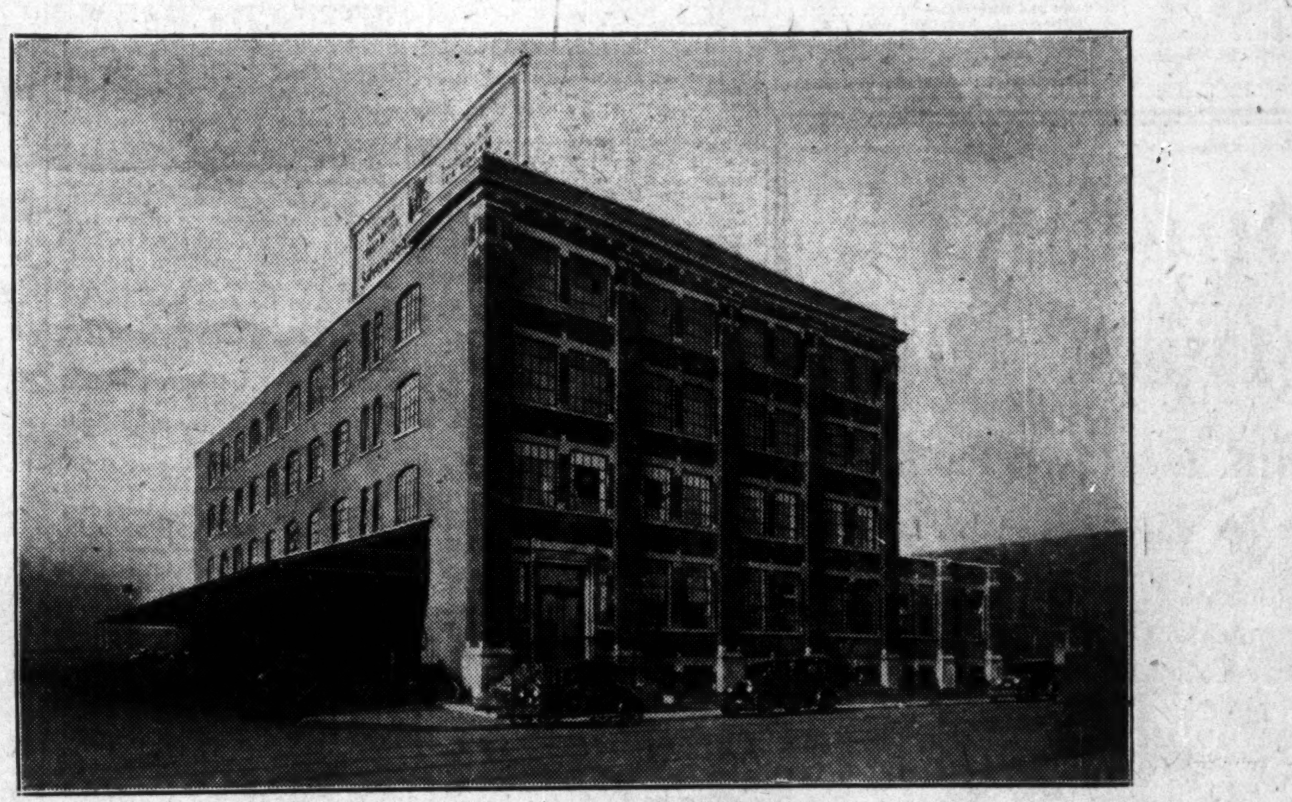
LOBLAW GROCETERIAS Co., Limited

Self-Serve
No Waiting
"We Sell for Less"

Province Wide Distribution

Serving 100,000 Customers in Ontario

Annual sales include approximately Thirty Million Quarts of Silverwood's "Safe Milk," Three Quarters of a Million Gallons of Silverwood's "Smoother than Velvet" Ice Cream and Five Million Pounds of "Silverwood's" and "Elmira" Finest Creamery Butter.



The Silverwood Plant at Toronto, Ontario

Operating Plants at

London	Brantford	Peterborough	Stratford	Forest
Toronto	Hamilton	Elmira	Sarnia	Cayuga
Windsor	Kitchener	Lucknow	Woodstock	North Bay
Chatham	St. Catharines	Cargill	Guelph	Sudbury

Silverwood's
DAIRIES, LIMITED

Producers and Distributors of

Safe Milk — Jersey Milk — "Homo" Milk (homogenized) — Table and Whipping Cream — Buttermilk — "Instant Frozen" Ice Cream — Evaporated Milk — Canadian Cheese — Creamery Butter — Powdered Milk — Condensed Whole and Skim Milk — Buttermilk Powder — Ice Cream Sundries — Semi-Solid Buttermilk — Eggs — Poultry — Frozen Eggs — Soda Fountain Supplies.

An All-Canadian Dairy Products Organization, Owned and Operated by Over Five Thousand Investors, including Producers, Consumers and Employees

MILLING AND BAKING (Continued)

OGILVIE FLOUR

Activities During Past Year Result in Small Gain in Profits

Ogilvie Flour Mills ended its year last August with earnings on a slightly better basis than in the previous year. Net income was equal to $8.10 a share compared with $8.07 in 1932. This betterment was due in part to milling activities and, in part, to the company's investment account. Over a period of many years the company has built up large reserves which have been invested in various securities. At August 31, 1933, the company had book investments of $6,586,472, or substantially below the market value as at that date.

Because of the fact that these investments represent nearly one-half of the company's total assets, Ogilvie Flour Mills has come to be regarded by the investing public more as an investment trust than as a flour milling organization. While it is true that a large proportion of the company's income is secured from its investments, the fact should not be overlooked that Ogilvie is an important flour producer and its activities in that direction have a strong bearing upon earnings.

Capitalization—

	Authorized	Outstanding
Pref. 7% cum. .. ($100 par).	$2,000,000	$2,000,000
Common (n.p.v.)	75,000 shs.	75,000 shs.

Preferred is not callable.

Funded Debt—
None.

Dividend Record—
Preferred—7% cumulative, payable 1st March, June, Sept. and Dec.; paid regularly since 1902.
Common—Present rate $8 per annum, payable 1st Jan., Apr., July and Oct. Bonus also paid on common from 1916 to 1930, excepting 1921; no bonus since.

Subsidiaries—
Ogilvie Grain Co.
Seaforth Milling Co., Ltd.
Glenora Securities, Inc.
The Tree Line Navigation Co., Ltd.
Consolidated Bakeries of Canada, Ltd.

Head Office—Montreal.

Officers and Directors—
Officers—W. A. Black, pres.; R. R. Dobell, vice-pres.; G. A. Morris, asst. to pres. and sec.; J. C. McLaughlin, treas.; H. K. Hepburn, asst. sec.-treas.; H. Sellers, Winnipeg, western mgr.; V. W. Maclean, Fort William, mgr.; H. N. Davis, Medicine Hat, mgr.; D. A. Grout, Edmonton, mgr.
Directors—Sir Montagu Allan, W. A. Black, R. R. Dobell, Sir C. B. Gordon, Sir Herbert S. Holt, E. B. Hosmer, J. W. McConnell, Beaudry Leman, Montreal; S. T. Smith, Winnipeg; F. K. Morrow, Toronto.

Earnings per Share and Dividend Record:

	1932	1931	1930
Pref.: Earned ..	$37.25	$37.76	$56.37
Paid	7.00	7.00	7.00
Com.: Earned ..	8.07	8.20	13.17
Paid—Divid. ..	8.00	8.00	8.00
Bonus ..	nil	nil	5.00

Seven Years Earnings—

Year	*Earnings $	Dividends $	Surplus $
1926	1,000,873	890,000	2,286,089
1927	1,755,332	1,265,000	2,476,422
1928	1,941,550	1,640,000	2,777,972
1929	2,381,741	2,015,270	3,144,718
1930	1,127,436	1,115,000	3,157,149
1931	755,149	740,000	3,172,298
1932	744,936	740,000	3,177,234

* After depreciation and bond interest, the latter amounting to $141,000 in each year.

Market Record—

	*1933 H	*1933 L	1932 H	1932 L	1931 H	1931 L
Common	211	100	150	90	285	125
Preferred ...	125	108	112	96	130	116¾

* To Oct. 11.

CONSOLIDATED BAKERIES

Reduced Profits Result of Lower Retail Prices

In common with other baking companies, Consolidated Bakeries of Canada, subsidiary of Ogilvie Flour Mills Co., has experienced reduced earnings as the result of lower selling prices for bread and reduced consumer purchasing power.

Consolidated Bakeries of Canada was incorporated under Dominion Laws in 1928 to acquire the entire capital stock of Nasmiths, Ltd., Toronto, Stocks Bread, Ltd., Peterborough, and Norris Bros., Ltd., St. Thomas. The company also secured control of the Northern Bakeries of Canada and its subsidiary by a share for share exchange, and in 1930 acquired as well the Palmer Baking Co., of Chatham.

Shareholders in April approved of a proposal to reduce the capital of the company from the sum of $7,382,175 to $3,184,430 by cancellation of share capital of $4,197,745, which is not represented by available assets. This was due to the general shrinkage in values during the depression and it is believed that the write-down in the values of the company's depreciable assets and the value of its land and investments to present-day values as well as the decision to write off the item of goodwill will prove to be in the best interests of the company and its shareholders. It recognizes realities and starts company and shareholders of the company off again on a basis of complete understanding.

The company's lower results for 1932 are owing largely to a considerable falling off in consumption of bread and cake, while the lessened sales and lower prices for products brought about a marked decrease in profits. The Government also placed a 6 per cent sales tax on all lines other than bread. This together with higher provincial and municipal taxation increased taxation by $70,480 for the year. Considerable reductions have been made in operating costs, and current operations show the company maintaining its relative place in the industry.

Capitalization—

	Authorized	Outstanding
Mgmt. pref.* ... (No par value.)	3 shares	3 shares
Common ...... (No par value.)	499,997 shs.	318,440 shs.

* Management shares, the holders having the right to elect the boards of directors.

Funded Debt—
None.

Dividend Record—
None at present; $2.00 per annum paid quarterly from Apr. 1, 1929 to Apr. 1, 1930; $1 p.a. paid from July 1, 1930, to April 1, 1932; 12½c. paid July 1, 1932; none since.

Subsidiaries—
Northern Bakeries of Canada, Ltd.—Toronto.
Nasmiths Limited—Toronto.
Stocks Bread Ltd.—Peterborough, Ont.
Norris Bros., Ltd.—St. Thomas, Ont.
Palmer Baking Co., Ltd.—Chatham, Ont.

Head Office—Montreal.

Officers and Directors—
Officers—J. Turnbull, pres.; R. McMullen, vice-pres. and gen. mgr.; James Calder, gen. supt.; H. O. Neale, sec.-treas.
Directors—W. A. Black, chairman of the board; R. R. Dobell, Sir Herbert Holt, G. A. Morris, J. W. McConnell, Montreal; J. F. Lash, F. K. Morrow, F. G. Osler, J. Turnbull, Toronto.
Management Shareholders — W. A. Black, F. K. Morrow and G. A. Morris.

Earnings per Share and Dividend Record:

	1932	1931	1930
Earned	$0.03	$1.15	$0.88
Paid	0.62½	1.00	1.25

Four Years Earnings—

Year	*Earnings $	Dividends $	Surplus $
1929	692,625	636,404	272,376
1930	275,269	398,066	151,447
1931	367,082	318,453	184,596
1932	9,916	119,422	80,074

* After depreciation and income tax.

Market Record—

	*1933 H	*1933 L	1932 H	1932 L	1931 H	1931 L
Common .	16½	2	8	2½	12⅞	6½

* To Oct. 11.

NORTHERN BAKERIES

(Controlled by Consolidated Bakeries)

Capitalization—

	Authorised	Outstanding
Com. (n.p.v.) ...	300,000 sh.	250,000 sh.

All exchanged for shares in Consolidated Bakeries of Canada, with the exception of 10 shares which were purchased for cash in 1932 by Consolidated Bakeries of Canada.

Funded Debt—
None.

Officers and Directors—
Officers—J. Turnbull, pres.; R. McMullen, vice-pres. and gen. mgr.; J. Calder, gen. supt.; H. O. Neale, sec.-treas.
Directors—W. A. Black, chm. of board; R. R. Dobell, Sir Herbert Holt, G. A. Morris, J. W. McConnell, Montreal; J. F. Lash, F. K. Morrow, F. G. Osler, J. Turnbull, Toronto.

INT. MILLING

International Milling Maintains Adequate Working Capital

International Milling Company has managed in its international operations in Canada and the United States to maintain a good liquid position and comparatively favorable earnings in spite of the severe business depression.

Its Canadian subsidiary, known as the Robin Hood Mills, operates the business of the company in Canada through the mills at Calgary, Moose Jaw and Saskatoon.

The company also operates mills at four United States points and has a combined storage capacity at country and terminal elevators of 13,000,000 bushels.

Current assets are more than double current liabilities and the last financial statement indicated that the working capital was adequate.

The company has managed to pay dividends on both 7 per cent and 6 per cent preferred stock throughout the depression.

Capitalization—

	Authorized	Outstanding
1st pref.	$5,000,000	....
Orig. series 7% ...	....	$3,515,800
Series A 6%	1,000,000	917,800
2nd pref. 7% cum.	1,000,000	nil
Par $100.		
Common .... n.p.v.	150,000 sh.	100,000 sh.

Funded Debt—
None.

Dividend Record—
First Preferred—Original issue 7 per cent, series A 6 per cent, both cumulative, payable quarterly, 1st March, June, Sept. and Dec. in United States funds. 7 per cent has been paid regularly since incorporation. 6 per cent from June, 1929.
Common—Paid annually in December. $5 per share paid in Dec., 1931. Dividends have been paid on common each year since 1924.

Subsidiaries—
Robin Hood Mills Ltd.—Entirely owned subsidiary. Mills located at Calgary, Moose Jaw and Saskatoon.
Lake and Rail Warehouse and Elevator Corp.

Head Office—Flour Exchange Bldg., Minneapolis, Minn.

Officers and Directors—
Officers—W. L. Harvey, pres.; F. A. Bean, vice-pres. and gen. mgr.; F. V. Spofford, sec.; H. F. Marsh, treas.
Directors—F. A. Bean, W. L. Harvey, H. F. Marsh, J. R. Morris, F. V. Spofford, all of Minneapolis, Minn.; J. J. Kovarik, Buffalo, N.Y.; A. E. Ames, Toronto.

Earnings per Share and Dividend Record—

	1932	1931	1930
First pref.: Earn.†	$25.39	$28.72	$32.37
Paid on 7% stk.	7.00	7.00	7.00
Paid in 6% stk.	6.00	6.00	6.00
Common: Earned .	8.29	10.00	11.72
Paid§	5.00	5.00	5.50

†Based on the total number of first preferred shares outstanding as at August 31.
§Paid on common shares exclusive of treasury stock.

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1926	1,025,157	504,336	3,239,048
1927	1,127,013	631,854	3,810,171
1928	1,565,140	667,509	4,887,828
1929	1,564,720	949,114	5,598,146
1930	1,463,694	828,329	6,398,295
1931	1,307,314	807,093	6,917,478
1932	1,125,576	796,810	6,824,059

Market Record—

	*1933 H	*1933 L	1932 H	1932 L	1931 H	1931 L
1st pref. ...	105	98	98	88	103	92
Pref. A ...	90	82	80	77	80	80

*To Oct. 11.

ONTARIO BAKERIES

Continues to Show Loss — Bond Interest Remains Unpaid

Ontario Bakeries Ltd. has been operated by a receiver since October, 1932, but still shows a loss on operations and bondholders have received no interest since 1930. In April, 1931, bondholders agreed to waive interest payments until January 1, 1933, but no interest could be paid at that date.

The company operates bakeries in several Ontario cities but since it was formed in 1926 has never been able to show a profit. Control was held by Canadian Terminal System Ltd. Voluntary assignment was made by the company in 1932 to facilitate reorganization but so far reorganization has not materialized.

Capitalization—

	Authorized	Outstanding
Preferred .... Par $100.	$2,000,000	$2,000,000
Common .... N.p.v.	100,000 sh.	100,000 sh.

*Canadian Terminal System owns $155,600 preferred and 51% of the common.

Funded Debt—
6 per cent 1st mtge. series A bonds, due 1946, outstanding $904,500.
Interest defaulted Jan. 2, 1931, and bondholders' committee formed. A. T. Field, Toronto, sec. bondholders' committee. In April, 1931, bondholders agreed to defer interest until Jan. 1, 1933.

Head Office—Toronto.

Officers and Directors—
Officers—A. H. Monteith, pres.; J. A. Arnold, vice-pres.; W. C. Duncan, gen. mgr.; W. F. Williams, sec.-treas.
Directors—A. H. Monteith, Paris, Ont.; J. A. Arnold, Leslie H. Boyd, Montreal; W. R. Sweeny, W. C. Duncan, Toronto; J. J. McKnight, Tottenham, Ont.; R. W. Knott, J. M. Hughes.

Statement for Year Ended March 26, 1932
In the fiscal period ended March 26, 1932, the company experienced a loss on operations —including depreciation of $37,283—of $59,258. Details of the income and expense account are as follows:

Sales	$557,634
Other revenue	5,611
Total revenue	563,245
Less: Materials & mfg. exp.* ...	391,672
Delivery & selling expense† ...	158,011
Adminis. & other exp.‡	78,820
Net loss (after depreciation) ...	59,258
Add: Bond interest§ and exps. ..	58,027
Loss to profit & loss acct.	117,285
Add: Previous deficit	296,083
Total profit & loss deficit	413,368

*Less depreciation, $25,480. †Less depreciation, $11,485. ‡Less depreciation, $318. §Accrued, but not paid.

LAKE OF THE WOODS

Sales and Earnings Show Gain — Change Planned in Balance Sheet

Operations of Lake of the Woods Milling Co. during the past fiscal year resulted in a greater volume of business and some improvement in earning power. Though the company has been steadily working itself into a stronger position in the last two years, the possibility of dividends is still some way off. Heavy bank loans will have to be reduced before any consideration is given to cleaning up the arrears of dividends on the preferred stock.

In line with the management's policy of strengthening finances, a special meeting of the shareholders has been called for next week to pass upon a proposal under which the paid-up value of the common stock will be reduced from $5,634,450 to $2,953,780. The difference, amounting to $2,680,670, will be used to write down the value of the company's investments or other assets, now carried on the books, and which do not represent any value.

Capitalization—

	Authorized	Outstanding
Pref. 7% cum. .. (Par $100. Non-redeemable).	$1,500,000	$1,500,000
Common .... (No par value).	200,000 sh.	147,689 sh.

Funded Debt—
1st mtge. bonds, 6 per cent, due 1941, authorized 16,000,000; outstanding †$4,000,000.
†Held by banks as collateral for loans.

Dividend Record—
Preferred—7 per cent cumulative, payable Mar., June, Sept. and Dec. 1. Paid regularly to and including Sept. 1, 1931; passed Dec. 1, 1931; and since.
Common—None at present. Formerly $3.20 per annum, payable Mar., June, Sept. and Dec. 1. Dividends were paid each year from 1904 to Dec. 1, 1930; none since.

Subsidiaries—(Wholly-owned)—
Keewatin Flour Mills Co.
Medicine Hat Milling Co.
Sunset Manufacturing Co.—Winnipeg.
Dominion Flour Mills Co.—Montreal and Brantford.
Inter City Baking Co., Ltd.
Inter City Western Bakeries, Ltd.

Head Office—St. John St., Montreal.

Officers and Directors—
Officers—F. S. Meighen, pres. and man. dir.; Hugh MacKay, vice-pres.; C. H. G. Short, gen. mgr.; D. A. MacInnes, sec.; A. C. McMillan, treas.; R. R. Hutchison, asst. sec.
Directors—F. S. Meighen, R. W. Reford, Walter Molson, Hugh MacKay, Rt. Hon. Lord Shaughnessy, P. F. Sise, J. W. Pyke, Hon. Rodolphe Lemieux, G. C. Morrison, Montreal; N. J. Breen, I. Pitblado, G. W. Allan, Winnipeg; J. W. Hobbs, Toronto.

Earn. per Share and Div. Record—
Years End. Aug. 31:

	1932	1931	1930
Pref.: Earned	$7.42	nil	$7.56
Paid	nil	nil	7.00
Com.: Earned	*0.043	nil	0.057
Paid	nil	nil	3.20

*After allowing for full year's preferred dividend.

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1926	271,792	525,000	679,819
1927	634,378	525,000	714,197
1928	689,588	505,267	798,522
1929	906,941	572,532	1,000,518
1930	188,412	576,570	536,450
1931	*935,468	223,151	536,353
1932	511,726	......	604,888

*Deficit.

Market Record—

	*1933 H	*1933 L	1932 H	1932 L	1931 H	1931 L
Common ...	18¼	5	9¼	4	24	5
Preferred ...	70	30	40	35	101	82

*To Oct. 11.

INTER-CITY BAKING

Conditions Militate Against Improving Earning Power

Inter City Baking Co., subsidiary of Lake of the Woods Milling Co., and controlling a number of bakery firms in the Eastern Canada area, has not escaped the effects of the unsatisfactory conditions existing in the baking trade. Competition in this field has been keen over the past two or three years and fluctuations in the value of materials and the low selling price of the finished product, combined with a restriction of buying power, has made it difficult for Inter City Baking and other companies in the same field to show profits commensurate with the capital investment.

During the year ended January 31 Inter-City Baking showed sufficient income to take care of interest and depreciation. After allowing $44,547 for writing down the value of investments, there was a small deficit of $19,952. No dividends have been paid on the company's common stock since March, 1932.

(Controlled by Lake of the Woods Milling)

Capitalization—

	Authorized	Outstanding
Common Par $100.	$4,000,000	$2,114,500

Funded Debt—
First mortgage, series "A," 5½ per cent, due 1948; outstanding $1,544,115.

Dividend Record—
Common—None at present. Initial dividend of 4 per cent paid Mar., 1929. A similar amount paid Mar., 1930, then semi-annually about Aug. 25 and Mar. 31, at the rate of 4 per cent per annum to and including Mar., 1932; since passed.

Subsidiaries—(Wholly owned.)
Brown's Bread Ltd.—West Toronto, North Toronto, and Hamilton.
Standard Bread Co., Ltd.—Ottawa.
Shouldis Bread Co., Ltd.—Ottawa.
Standard Bread (Montreal) Ltd.
A. & L. Strachan Ltd.—Montreal.

Head Office—460 St. John St., Montreal.

Officers and Directors—
Officers—F. S. Meighen, pres.; C. H. G. Short, gen. mgr.; R. R. Hutchison, sec.-treas.; D. A. MacInnes, asst. sec.-treas.
Directors—F. S. Meighen, Hugh MacKay, C. H. G. Short, G. C. Morrison, R. W. Reford, J. W. Pyke, Montreal; R. G. Cowan, Toronto; R. Lamothe, Ottawa.

Times Interest Earned:

Year Ended Jan. 31:	1933	1932	1931
Before deprec.	2.45	3.81	3.59
After deprec.	1.29	2.66	2.46

Earnings per Share and Dividend Record:

Com. Earned	†nil	$4.13	‡$6.02
Paid	nil	4.00	4.00

† Based on 21,145 shares.
‡ Based on 21,295 shares outstanding.

***Five Years Earnings—**
Year End. Jan. 31:

Year	Earnings $	Dividends $	Surplus $
1929	317,495	70,000	64,960
1930	287,575	85,180	79,355
1931	316,254	85,180	122,429
1932	331,643	85,180	125,212
1933	210,331	....	105,260

* After deducting all expenses of operation, and providing for doubtful debts and income tax.

Market Record—

	*1933 High	*1933 Low
Common	17	17

* To Oct. 11.

Inter-City Western

Continued decline in earning power and inability to meet interest payments, caused Inter-City Western Bakeries, subsidiary of Lake of the Woods Milling Co., to default on its first mortgage bonds. A bondholders' protective committee has been organized and steps are being taken to place the company on a sounder footing. During the past two years the company has been unable to earn its bond interest, and the profit and loss account showed a deficit of $257,237 at the end of January last.

Operations of the company, as the name implies, are confined to Western Canada where conditions have not been satisfactory.

Capitalization—

	Authorized	Outstanding
Pref. cum. conv. .. Par $10.	$390,000	$390,000
Common ...... n.p.v.	200,000 sh.	*130,000 sh.

*Over 88 per cent owned by Lake of the Woods Milling Co.

Funded Debt—
6½ per cent 1st mtge. S. F. bonds, series A, due 1950, outstanding $1,456,200. Interest payment passed May 1, 1933.

Dividend Record—
Preferred—6 per cent per share per annum, cumulative from May 1, 1930, payable half-yearly, May and Nov. 1. None paid to date.
Common—None paid to date.

Head Office—666 Elgin Ave., Winnipeg.

Officers and Directors—
Officers — Brig.-Gen. F. S. Meighen, pres. and man. dir.; C. H. G. Short, vice-pres. and gen. mgr.; W. Ross Grant, sec.-treas.; D. A. MacInnes, asst. sec.-treas.
Directors — Brig.-Gen. F. S. Meighen, Hugh MacKay, James W. Pyke, R. W. Reford, Montreal; C. H. G. Short, N. J. Breen, Isaac Pitblado, G. H. Booth, W. A. Hastings, Winnipeg; H. B. Addems, Regina; W. J. Rennie, Victoria; A. C. Cowan, Vancouver.

Times Bond Interest Earned—

Yr. end. Jan. 31:	1933	1932	1931
After other int. & before deprec. ..	*0.42	*0.84	0.94
After other int. & after deprec. ...	nil	*0.36	0.25

*Bond interest including U. S. exchange.

Earn. per Share and Div. Record—
Pref. & common: None earned or paid.

CATELLI MACARONI

Competition and Low Price Feature Trade — Finances Show Strength

Conditions surrounding the Catelli Macaroni Products Corp. have not been altogether satisfactory in the past two years. In 1931 and 1932 prices for the company's products were forced down nearly 50 per cent. There has been little improvement since that time and the financial statement for the year ended November 30 is not expected to show any appreciable gain.

While the company's earning power has been restricted, examination of its balance sheet shows a maintenance of a strong liquid position.

Capitalization—

	Authorized	Outstanding
Class A pref. .... Par $30.	$1,800,000	$1,560,000
Class B cum. .... No par value.	125,000 shs.	80,000 shs.

Funded Debt—
None.

Dividend Record—
Class A Preferred—Entitled to $2 per annum, cumulative, payable 1st Mar., June, Sept. and Dec.; paid regularly Dec., 1928, to Sept. 1, 1930; none since.
Class B Common—None paid.

Head Office—305 Bellechasse St., Montreal.

Officers and Directors—
Officers — Aimé Geoffrion, pres.; A. Bienvenu, vice-pres.; Paul Bienvenu, man. dir.; Peirce Murphy, sec.
Directors — Aimé Geoffrion, A. Bienvenu, R. R. Dobell, W. W. Hutchinson, Alphonse Raymond, Paul Bienvenu, Henri Geoffrion, Montreal; I. Rader, Vancouver.

Earnings per Share and Dividend Record:

	1932	1931	1930
Class A:			
Earned†	$0.05	$1.04	nil
Earned‡	nil	nil	nil
Paid*	nil	nil	$1.50
Class B:			
Earned†	nil	nil	nil
None paid.			

*Being at the rate of $2.00 per share per annum.
†Before taking participation features into account.
‡After taking participation features into account.

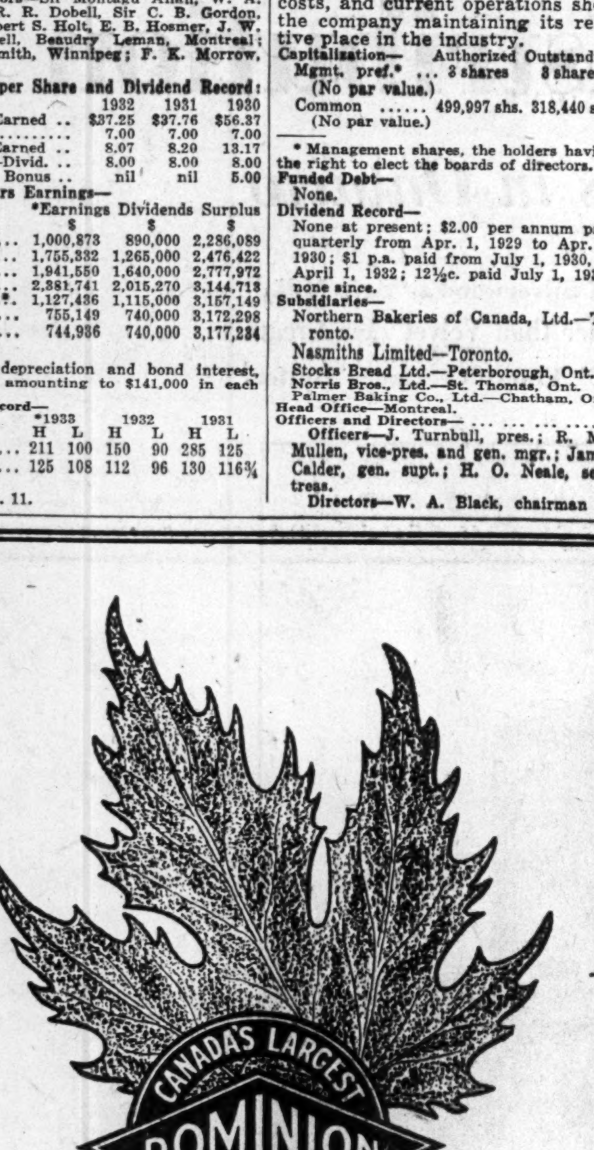
Market Record—

	*1933 H	*1933 L	1932 H	1932 L	1931 H	1931 L
Class A ...	10	5½	12	7	12	12
Class B ...	2	1	..	..	5	5

*To Oct. 11.

B. C. May Set Record

British Columbia's lumber exports overseas will set a new record this year if the present pace is maintained. For the first eight months of 1933, exports of sawn lumber to foreign markets outside North America totalled 360,000,000 feet. Exports for the full year will reach 520,000,000 feet, it is estimated. The previous high record was set in 1929 with a total of 399,497,000 feet.



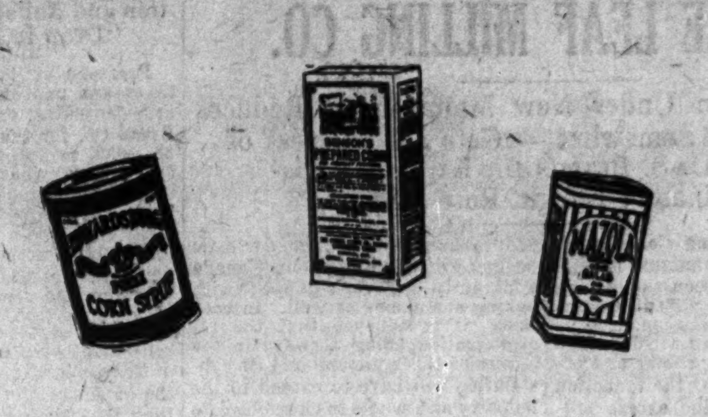
CANADA'S LARGEST GROCERY CHAIN

DOMINION STORES today, as for a number of years past, is Canada's largest food chain having 512 stores in operation in four provinces.

Besides being the largest grocery chain in Canada, Dominion Stores also is the largest CANADIAN company of its kind. Every executive is a British subject and every employee is a native of the Empire. The company endeavors to maintain a high standard of personnel, the better to serve the tens of thousands of customers, and the incidental benefit to the communities in which Dominion Stores operates is that the purchasing power of the many hundreds of employees is as great as ever.

Shareholders of Dominion Stores have had a satisfactory experience from the policies which have placed the interest of the customer first — policies which have builded a great Canadian grocery business on an enduring foundation.

DOMINION STORES
LIMITED
"Where Quality Counts"



Consumer Acceptance
the Basis of Profitable Merchandising

YEAR in and year out, the products of the Canada Starch Company are profit producers to alert merchandisers. Why?

Because of an acceptance, the fruit of years of consumer satisfaction coupled with an advertising policy ever reaffirming and broadening the story of their products.

In "MAZOLA" and "CROWN BRAND" CORN SYRUP, as well as in "BENSON'S" CORN STARCH, you buy what you can sell.

Seventy-five years of fair dealing with the trade and education of the consuming public, are back of these profit-makers for you.

CANADA STARCH CO.
LIMITED
Montreal ∘ Toronto

Weston's

Canadian-made Biscuits of English Quality

AMONG purely Canadian industries that of the Weston Biscuit Company is one which has won success through progressive development over a long period of time.

The introduction into Canada by Weston's of English biscuit making machinery, and the use of English formulas, together with the employment of expert craftsmen with English experience in the art of producing super quality biscuits — has put Weston's biscuits among the leading biscuit lines on this continent.

A constant endeavor to maintain a high quality by the use of the finest materials, a courteous and helpful attitude in the service given to distributors, backed by enterprising and original merchandising publicity have made Weston's biscuits a household word in Canada.

George Weston Limited
Factory and Head Office -- Toronto
Saint John Ottawa Winnipeg Montreal Vancouver

DAIRY SECURITIES (Continued)

Borden's, Ltd. (Cont'd)

(Continued from page 11)

mer pick-up in demand lowered 1932 earnings. In 1933 various state and other milk bodies have been formed with the object of eliminating non-economic competition and of giving producers a larger amount for their milk. Prices have been increased in many centres because of this programme. The results are being watched with great interest.

Capitalization—	Authorized	Issued
Common (n.p.v.)	500,000 sh.	400,000 sh.

Principal Business Office—Montreal.

Officers and Directors—

Officers—J. W. McConnell, chm. of board; S. J. Moore, pres.; W. P. Marsh, treas.; and asst. sec.; S. J. De Baun, asst. treas.; W. H. Rebman, asst. sec.

Directors—Hon. C. C. Ballantyne, Sir C. Gordon, J. W. McConnell, Hon. Donat Raymond, Montreal; G. C. Edwards, Ottawa; P. D. Fox, A. T. Johnston, E. B. Lewis, A. W. Milburn, M. J. Norton, W. D. Strack; New York; S. J. Moore, Britton Osler, Toronto; H. H. Walker, Walkerville.

EASTERN DAIRIES

Conditions Unsatisfactory and Stock Dividends Deferred

Position of Eastern Dairies Ltd., one of Canada's largest dairy organizations, has not been at all satisfactory this year. Not only has the parent company been forced to defer dividend payments on its own capital stock, but its two principal subsidiaries, Crescent Creameries and Acme Farmers Dairy, have taken similar action.

The decline in the company's earning power is attributed to the lower purchasing power of customers. The number of customers served has been well maintained, but average sales per customer are lower. In addition, the decline in the value of dairy products has contributed to the decreased earnings.

Earning Power Lower

Net earnings of the company in the fiscal year ended March 31, 1933, amounted to roughly $500,000, or more than $300,000 less than in the previous year. After providing for all senior charges, there was a surplus of $52,019 which, added to the distribution made on capital stock, reduced the previous surplus of $257,682 to $40,631.

There has been no marked improvement in the company's situation during the current year and prospects of resumption of dividends on the capital stock do not appear promising at this time.

Capitalization—	Authorized	Outstanding
Com. (n.p.v.) ..	*200,000 shs.	†93,423 shs.
Pref. 7% cum. .. ($100 par).	$5,000,000	$2,500,000

*48,000 reserved for conversion of series A bonds.
†Of which 6,577 shares are subscribed and allotted but unpaid.

Funded Debt—
6 per cent first collateral trust convertible series A bonds, due 1949, outstanding $3,000,000.

Dividend Record—
Preferred—Entitled to 7 per cent per annum, cumulative, payable quarterly, Jan., April, July and Oct. 15. Initial payment made July, 1926, and regularly to and including Jan. 15, 1933; none since.
Common—None at present. Initial dividend of 25c. paid Nov., 1930, and regularly quarterly, at that rate to and including Aug. 1, 1932; since passed.

Subsidiaries—
All the companies acquired have been consolidated under these subsidiaries:

Elmhurst Dairy, Ltd.—Operates dairy plant, 2 distribution depots, 2 creameries in Montreal and district.

The Producers Dairy, Ltd.—Company and subsidiary, Hull Dairy, Ltd., operate dairy plant, distributing depot, 2 creameries and 2 cheese factories in Ottawa and district. Capital stock authorized: 2,000 7 per cent cumulative preferred shares, $100 par, and 55,000 common shares, no par value; changed in November, 1931, from authorization of 5,500 common shares $100 par, of which 3,023 shares were issued.

Crescent Creamery Co., Ltd.—Winnipeg.

Acme Farmers Dairy, Ltd.—Toronto and Hamilton.

Head Office—Montreal.

Officers and Directors—

Officers—W. R. Aird, pres. and man. dir.; P. A. Thomson, vice-pres.; E. W. King, sec.-treas.

Directors—W. R. Aird, A. J. Nesbitt, C. B. Price, P. A. Thomson, H. R. Trenholme, all of Montreal.

Times Bond Interest Earned:

Yr. End. Mar. 31:	1933	1932	1931
Before depreciation	*2.41	*4.02	4.64
After depreciation	*1.31	*3.02	3.53

*Times bond interest and premiums paid and accrued on U. S. funds.

Earnings per Share and Dividend Record:

Preferred: Earned†	$1.24	$9.33	$10.59
Paid—			
Acme Farmers.	7.00	7.00	7.00
Cres. Creamery	7.00	7.00	7.00
Eastern Dairies	5.25	7.00	7.00
Common: Earned§..	nil	■1.10	*2.04
Paid	0.25	1.00	0.75

†Before income tax; calculated on combined preferred shares of company and subsidiaries then outstanding.
*Based on 74,099 shares which were outstanding.
§Before income tax.
■Based on 89,099 outstanding shares.

Six Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1928	413,511	229,113	34,107
1929	466,801	244,573	77,610
1930	724,987	279,682	153,442
1931	835,380	349,574	248,794
1932	801,689	383,099	257,682
1933	491,563	272,525	40,631

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Common	7	1½	16	5	25½	16

CRESCENT CREAMERY
(Subsidiary of Eastern Dairies)

Capitalization—	Authorized	Outstanding
Preferred .... Par $100.	$1,450,000	$1,000,000
Common, n.p.v. ..	50,000 shs.	50,000 shs

Common all owned by parent company.

Dividend Record—
Preferred—7 per cent per annum, cumulative, payable Jan., Apr., July and Oct. 15. Paid regularly to and including Apr. 15, 1933; none since.

Head Office—Winnipeg.

ACME FARMERS DAIRY
(Controlled by Eastern Dairies)

Capitalization—	Authorized	Outstanding
Common*, n.p.v.	150,000 shs.	83,420 shs.
Preferred ...... Par $100.	$750,000	$700,000

*All common stock is owned by Eastern Dairies, with the exception of directors' shares.

Funded Debt—
Consists of $700,000, 7 per cent debenture notes held as collateral for the parent company's funded debt.

Dividend Record—
Preferred—7 per cent per annum, payable Feb. and Aug. 10. Paid regularly to and including Feb. 10, 1933; since passed.

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Preferred ..	..	..	80	80	..	..

*To Oct. 11.

Record Lumber Cargo

What is said to be one of the largest cargoes of lumber shipped from Saint John in recent years has been forwarded to Great Britain, consisting of 3,043,596 feet, mostly of deals.

UNITED DAIRIES

Alberta Company Drops Dividends But is Reducing Bank Loans

United Dairies, whose head office is at Calgary, Alta., covers in its operations a number of communities in Alberta and British Columbia. The company has been able in most years to pay dividends on its first preferred stock regularly. In 1930 it made a disbursement on common but none since. On the second preferred stock payment stopped on January 2, 1931. In 1932 the preferred stock was put on a four per cent basis, but nothing was paid in June last, although those close to the company expect resumption in January next.

The company has naturally suffered from the lower purchasing power in its communities, consequent on the depression and on the keen competition in the sale of milk and milk products. However, operating expenses have been reduced considerably and factories have been merged where advantages could be obtained by doing so.

It is understood that dividends have been earned in the current year so far but that the company has been following the policy of reducing bank loans which are now not very large.

Capitalization—	Authorized	Issued
1st pref. 6½% .. Par $100.	$1,000,000	$752,200
2nd pref. 6% ... Par $100.	400,000	400,000
Common (n.p.v.)	50,000 shs.	50,000 shs.

Funded Debt—
None.

Dividend Record—
1st Preferred—Entitled to 6½ per cent p.a. cumulative, payable Jan. and July 2; paid regularly at 6½ per cent rate to July 1, 1932; reduced to 4 per cent p.a. with payment of 1 per cent Jan. 1, 1933.
2nd Preferred—Entitled to 6 per cent cumulative, payable Jan. and July 2; payment waived by shareholders Jan. 2, 1931; none paid since.
Common—Initial dividend of 25c. paid Jan. 2, 1930; none since.

Head Office—Calgary.

Officers and Directors—
J. W. Carlyle, pres.; T. M. Carlyle, vice-pres.; E. Richardson, sec.; Dr. T. E. Hays, W. N. Henderson, D. P. Carlyle, E. T. Love, F. A. Manning, D. Morkeberg.

Biscuits, and Confectionery

GEORGE WESTON

Fine Biscuit Concern Expanding in Canada, U. S. and U. K.

George Weston, Ltd., makers and distributors of fine biscuits, confectionery, bread, cake and pastry, directly and through subsidiaries does an international business in Canada, Great Britain and the United States. This summer it bought the biscuit business of the old established firm of Mitchell and Muils, Aberdeen, Scotland, and will continue it in an up-to-date factory at Edinburgh, Scotland. A subsidiary company named Weston Biscuit Co., Ltd., will conduct that business and all the common stock will be entirely owned by George Weston Ltd., Toronto.

Recently George Weston, Ltd., secured direct control of Weston Biscuit Co., Ltd., of the United States by an offering of shares on the basis of two shares of the United States subsidiary for one share of George Weston. It is understood that 90 per cent of the control was obtained in this way. It is understood that the business in the United States has been running along favorable lines in the last year or so but no definite figures have been made public.

To the end of 1932 actual earnings on the common stock showed a decline from $2.60 a share in 1930 and $1.46 a share in 1931 to $1.09 per share in 1932. It is believed there has been some improvement in 1933 and stock market movements show investors inclined to believe that with better times this company will be able to give a better account of itself.

Expanding east and west, officials report substantial progress as having been made. The drop in earnings in the common stock in 1932 was simply a reflection of lower prices obtained for biscuits and other products by all in the industry.

Capitalization—	Authorized	Outstanding
Common (n.p.v.)	100,000 shs.	*50,000 shs.
Pref. 7% cum. (Par $100).	$1,000,000	*$900,000

*Of which the company's subsidiary, Wm. Paterson, Ltd., owns 220 shares of preferred and 1,390 shares of common stock.

Funded Debt—
None.

Dividend Record—
Preferred—7%, payable quarterly, Feb., May, Aug. and Nov. 1. Paid regularly since May, 1928.
Common—Present rate $1 per share per annum, payable quarterly, Jan., April, July and Oct. 1. Initial dividend paid April 1, 1930, and regularly since.

SUBSIDIARIES—

William Paterson, Ltd.—Brantford, Ont. All common stock held by parent company.

Weston Biscuit Co. Ltd., Watertown, Mass.—Has sole right to manufacture Weston's biscuits in United States. Capital stock: 50,000 shares n.p.v. common. Majority of stock controlled by parent company through common share holdings and options for purchase of stock.

George Weston Bread & Cakes, Ltd., which owns outright Regal Bakeries, Ltd., Toronto and Oshawa, and Lawlor Bread Co., Toronto.

Independent Biscuit Co., Ltd.—Manufactures biscuits, etc., in Calgary, Alta., and acts as a sales outlet for George Weston Ltd. and Wm. Paterson, Ltd., the two companies jointly controlling the concern. Control was acquired in 1931 through exchange of Wm. Paterson Ltd. preferred stock for the stock of the company. Outstanding stock, $150,000 7 per cent first preferred; $57,700 7 per cent second preferred and 5,000 no par value common shares of which the two companies hold $85,700 first preferred, $57,700 second preferred and 4,154 common shares.

Weston Biscuit Co. Ltd., Scotland, wholly-owned subsidiary formed to purchase the business of Mitchell & Muils, of Aberdeen, Scotland, biscuit makers for over 80 years.

All the common stock of this new subsidiary will be entirely owned by George Weston, Ltd., Toronto. There is no funded debt but preferred stock will be issued, part of which will be held by Mitchell & Muils as part of the price for their biscuit business.

Head Office—134 Peter St., Toronto.

OFFICERS AND DIRECTORS—

Officers—W. Garfield Weston, pres. and man. dir.; F. W. St. Lawrence, vice-pres. and gen. mgr.; C. W. Kerr, sec.; R. A. Robertson, treas.

Directors—W. Garfield Weston, F. W. St. Lawrence, C. W. Kerr, R. A. Robertson, Toronto; D. L. Chrysler, Brantford, Ont.

Earnings per Share and Dividend Record:

	1932	1931	1930
Pref.: Earned	$18.55	$15.35	$21.49
Paid	7.00	7.00	7.00
Com.: Earned ...	1.09	1.46	2.60
Paid	1.00	1.00	1.00

Six Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1927	*171,935	......	35,606
1928	202,160	43,632	160,728
1929	152,930	68,534	232,791
1930	210,481	113,000	262,946
1931	153,963	115,094	282,085
1932	137,322	117,347	285,224

*After bond interest.

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Common ...	59½	16½	28	16½	45	30
Preferred ..	88	67	70	65	90	79

*To Oct. 11.

CANADA BISCUIT

Company Experiencing First Year Under New Management

Sales of Canada Biscuit Co. in 1932 were well maintained but at very close margins of profit. Conditions in 1933 have not favored a marked recovery but it will be the first for several years in which executives have had freedom from the anxieties which in 1932 led to reorganization of the capital structure and the securing of permission of bondholders to defer interest payments to May 1, 1934, and to make payments due in Canadian funds only after that time. It has had the advantage also during that time of the management of J. W. Ross who was appointed general manager as a result of the various negotiations between representatives of bondholders and chief interests of the company.

The reorganization in 1932 occurred as a result of interest being passed on $1,924,500 of series A 6½ per cent first mortgage sinking fund gold bonds.

Canada Biscuit Company is a holding company for seven subsidiaries, which manufacture plain and fancy biscuits, confectionery, ice cream cones and allied products for distribution in Canada and Newfoundland. Plants are operated in London, Montreal, Moncton, Winnipeg and Edmonton, while warehouses are maintained in Halifax, Saint John, N.B., Moncton, Montreal, Ottawa, Toronto, Hamilton, London, Winnipeg, Regina, Saskatoon, Edmonton and Calgary.

Combined sales of this company in 1930 exceeded $8,000,000. It is understood that this was also true in 1931 but later information is not available.

Capitalization—	Authorized	Outstanding
Common .... N.p.v.	89,000 shs.	89,000 shs.

Funded Debt—
6% prior lien bonds, due 1946, outstanding $300,000.
6½% first mtge. S. F. bonds, Series "A," due 1946, outstanding, $1,790,500.

Dividend Record—
None paid.

SUBSIDIARIES—(Wholly-owned)

North West Biscuit Co., Ltd., Edmonton.—Established in 1913

D. S. Perrin & Co., Ltd., London, Ont. In 1931 operations transferred to plant of McCormick Mfg. Co.

(Controlled)

McCormick Manufacturing Co., Ltd., London, Ont.—Established in 1858.

Paulin-Chambers Co., Ltd., Winnipeg.—Established in 1876, incorporated in 1899.

J. A. Marven, Ltd., Moncton, N.B.—Established in 1906. Oerates 640 acre farm for the supply of butter, eggs and milk for use in the manufacture of the biscuits and cakes.

Montreal Biscuit Co., Ltd., Montreal.—Established in 1866.

North West Mill & Feed Co., Ltd., Edmonton.—Formed to produce flour for use in biscuit making.

Head Office—London, Ont.

Officers and Directors—

Officers—F. A. McCormick, pres.; J. W. Ross, man. dir.; F. Lawson, sec.; W. P. Rapley, treas.

Directors—F. A. McCormick, Ray Lawson, J. W. Ross, London, Ont.; J. E. Labelle, G. H. Rainville, D. J. O'Donahoe, R. W. Steele, Guy Perron, Montreal, Que.; J. L. Bathgate, Winnipeg, Man.

DAVID ET FRERE

Earning Power Sharply Restricted in Past Two Years

David et Frere, Montreal manufacturers of biscuits and candy, have experienced difficult times since 1930. Prior to that time the company had reported satisfactory earnings. In 1931, however, the income statement showed a loss on operations of $13,157, while in the following year profits amounted to only $15,688. In 1930 and 1929 the company earned over $100,000 in each year.

No particulars are available as to current operations, but in the last annual report the president stated that the company had been successful in checking losses. The financial position is relatively satisfactory, but with the absence of earning power no dividends are being paid on the capital stock.

Capitalization—	Authorized	Outstanding
Class A non-cum.	23,000 shs.	23,000 shs.
Class B .... (No par value).	23,000 shs.	23,000 shs.

Funded Debt—
None.

Dividend Record—
Class A—None at present; $2.25 paid regularly from Sept. 15, 1928 to June 15, 1931; reduced to $1.00 per annum, Sept. 15, 1931; passed March 15, 1932.
Class B—None paid.

Head Office—Montreal.

Officers and Directors—

Officers—Mrs. René T. Leclerc, pres.; Henri Merrill, vice-pres.; L. R. Philie, sec.-treas.

Directors—L. R. Philie, Mrs. René T. Leclerc, F. A. Beique, G. O. Soucie, H Merrill, Montreal, Que.

§Earnings per Share and Div. Record:

	1932	1931	1930
Class A: Earn.*	nil	...	$4.66
Earned †	nil	...	3.00
Paid	nil	$1.63	2.25
Class B: Earn.†	nil	...	1.66
None paid.			

§Before provision for income tax.
*Before taking into consideration the participating clauses
†After making provision for the participating clauses attached to each class of shares.

Five Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1928†	78,314	25,760	53,362
1929	116,815	51,750	114,196
1930	103,127	51,750	160,212
1931	‡13,157	37,490	71,001
1932	15,688	......	54,266

‡Loss.
†Covering period from June 10, 1928 to Dec. 31, 1928.

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Class B	2	1	1¼	1¼	5	3
Class A	5	5	..	..	..	..

*To October 11.

VIAU BISCUIT

Changed Conditions Have Effect on Business—Earnings Are Low

Competition resulting in high selling costs and demand by the company for low-priced goods, have made it difficult for the biscuit manufacturers to make headway. Viau Biscuit Corp., operating in the Eastern Canadian area, has reported a restriction in its earning power over the last 18 months. In 1932 net income was not sufficient to take care of bond interest after setting up provision for bad debts and depreciation. On the year's operations there was a deficit of $21,510, which with payment of partial dividends on the first preferred stock, resulted in reducing the surplus by $72,190. No dividends are being paid on the capital stock. Payments on the first and second preferred shares are cumulative.

Capitalization—	Authorized	Outstanding
Com. (n.p.v.) ..	50,000 shs.	25,000 shs.
1st pf. cum. 7% ($100 par).	$2,500,000	$946,000
2nd pf. cum. 7% ($100 par).	1,000,000	470,000

Funded Debt—
6½ per cent general mortgage bonds, due 1946; outstanding $337,800.

Dividend Record—
1st preferred: entitled to 7 per cent cumulative, payable Jan., Apr., July and Oct. 1; paid regularly to Oct. 1, 1932; none since. 2nd preferred: 7 per cent cumulative, payable same dates as 1st preferred; payment passed in 1927, resumed in 1928 and arrears paid-up in 1930; paid regularly from 1928 to Jan. 1, 1932; none since. Common: none paid.

Head Office—Montreal.

Officers and Directors—

Officers—Théophile Viau, pres.; Albert Hudon, vice-pres.; Emile Chaput, gen. mgr.; J. W. Ross, sec.; Lucien St.-Mars, treas.; W. Bousquet and J. A. Boucher, sales mgrs.; A. Giguére, production mgr.

Directors—Théophile Viau, A. Hudon, J. W. Ross, G. H. Rainville, J. A. Lemieux, J. E. Labelle, Montreal; Emile Chaput.

Times Bond Int. Earned:

	1932	1931	1930
After other int. & before deprec.	2.30	9.49	12.87
After other int. & deprec.	0.93	8.16	11.19

Earn. per Share & Div. Record:

First preferred:			
Earned	nil	$13.28	$19.06
Paid	5.25	7.00	7.00
Second preferred:			
Earned	nil	13.35	25.66
Paid	nil	7.00	7+7†
Common:			
Earned	nil	1.19	3.51

†arrears.

Six Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1927	189,650	70,000	2,255
1928	239,637	111,475	30,519
1929	243,337	102,900	63,068
1930	315,467	102,900	110,798
1931	218,784	102,900	87,800
1932	56,768	50,680	2,940

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Com.	7	2	11	5	24¼	8¼
1st pref.	40	29	75	59	85	70

*To October 11.

HUNTS LTD.

Sales and Profits Reported to be Maintained at 1932 Level

Hunts Ltd. operates a chain of some 33 stores of which 27 are in Toronto, two in Ottawa, two in Hamilton, one in Weston and one in London. The company manufactures candy, ice cream, cakes and pastry which are sold through its stores which also serve lunches. Earnings, therefore, are derived from several allied lines all of which have been affected in the last two years and in the year ended December 31, 1932, the company just failed to earn its depreciation reserve of $50,461. After paying dividends on class A and class B stock amounting to $37,021 the company had a deficit for the year of $37,441.

H. W. Hunt, president and managing director of the company states that sales and earnings in the current year are approximately the same as experienced during the corresponding period of 1932 and that the company has added only one store during the present year. Since April 1, 1933, the company has been paying an annual dividend of 50 cents per share on class A and class B stock. During 1929 and 1930 the regular annual dividend of $1 per share was increased by a bonus of 50 cents and the stock was placed on a $1.40 basis during 1931 only to be reduced to $1 basis on July 2, 1932.

Sales of the company totalled $881,389 in 1932, $991,146 in 1931 and $1,130,425 in 1930. Net income was down to $50,041 in 1932 from $138,897 in 1930. In part, the decrease in dollar volume of sales is due to lower prices while higher taxes on sugar and higher sales taxes have further reduced margin of profit. The company has a good liquid position with current assets approximately twice current liabilities and working capital of $51,293.

Capitalization—	Authorized	Outstanding
Class "A"	100,000 shs.	18,656 shs.
Class "B" (No par value.)	15,000 shs.	15,000 shs.

Dividend Record—
Classes "A" and "B": present rate 50c. per annum, payable Jan., April, July and Oct. 1; $1 per annum paid July, 1932, to Jan., 1933. Prior to that, rate was $1.40 per annum, having been increased from $1 per annum with payment April 1, 1931. Bonus of 50c. per share paid Jan., 1930, and Jan., 1931.

Subsidiary—Modern Properties, Ltd.—
Formed in 1930 to take over property on Bloor St. near Yonge St., Toronto. Property acquired to assure company of a site should lease on present store be cancelled. Wholly owned.

Head Office—65-67 Walker Ave., Toronto.

Officers and Directors—

Officers—H. W. Hunt, pres. and man. dir.; L. K. Hergert, sec.-treas.

Directors—H. W. Hunt, A. F. Schnaufer, J. D. Montgomery, J. H. Ratcliffe, L. K. Hergert, all of Toronto.

Earnings per Share and Dividend Record—

Classes "A" & "B"	1932	1931	1930
Earned	nil	$1.62	$2.67
Paid	1.10	1.40	1.00+50c

Six Years Earnings

Year	Earnings $	Dividends $	Surplus $
1927	*63,896	22,226	144,435
1928	*69,668	42,869	171,234
1929	139,360	53,594	216,513
1930	138,897	50,484	251,072
1931	102,985	47,118	172,691
1932	50,041	37,021	135,047

* Net profits.

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Class "A"	14	4½	17¾	6½	23½	17
Class "B"	10	5	—	—	23¼	18½

* To Oct. 11.

LAURA SECORD

Maintains Strong Liquid Position — Starts New Chain

Laura Secord Candy Shops Ltd. operates some 80 retail candy stores in the larger centres of Ontario and Quebec and has manufacturing studios in Toronto and Montreal. Originally founded in 1913, the present company was incorporated December, 1926, and an extremely strong liquid position has been built up. The balance sheet of this merchandising company is almost unique because of total assets of $1,892,995, $1,505,581 is in current assets. Current assets consist almost entirely of cash and investments which are carried at a conservative figure. Fixed assets total only $321,484.

Dollar volume of sales and net profit are expected to show some decline during the year ended September 30, 1933, but preliminary reports indicate that the company's annual dividend of $3 per share has been well covered and earnings may approximate $4 a share. Reduced prices in effect during the early part of the last fiscal year reduced dollar volume of business while increased taxes have affected profits. The company has paid dividends on its common stock regularly since 1929 and retired the last of its preferred stock in 1931. Earnings have been substantially in excess of dividend requirements and the company's surplus has been increased from $124,158 in 1927 to $945,506 at the end of 1932 with the probability that the balance sheet to be issued later this month will show a surplus of at least $1,000,000.

During last summer the company formed Candyterias Ltd. and opened four stores in Toronto selling low-priced candy. Stores will also be opened in Montreal and increased production at the Toronto and Montreal studios is expected to lower costs for the parent company. Laura Secord Candy also owns a minority interest in Fanny Farmer Candy Shops Inc. which operates a

(Continued on page 16)

STOP & SHOP

MEATS GROCERIES — FRUITS VEGETABLES

OWNING AND OPERATING

112 Meat, Grocery, Fruit and Vegetable Stores IN Toronto, Montreal and Ottawa

"Headquarters for Blue Brand Government Graded Beef"

Keep Your Dollars in Canada Shop at the Stores That Are 98.65% Owned by Canadians

OFFICERS AND DIRECTORS

OFFICERS—Robert H. Hommel, president; H. R. Berg, George A. Wright, vice-presidents; George C. Anspach, secretary-treasurer.

Directors—Robert H. Hommel, H. R. Berg, Brian Barrett, A. D. Cobban, E. F. Coste, H. B. Housser, W. S. Morlock, T. A. McAuley, George A. Wright.

STOP & SHOP LIMITED — Head Office: 1385 Bloor St. West, Toronto, Canada

Robin Hood FLOUR

Robin Hood Oats

Milled from finest Selected Wheat and Oats

Robin Hood Mills Limited

Moose Jaw - Saskatoon - Calgary - Vancouver Toronto - Saint John

MONTREAL

SOLD THE WORLD OVER

Winning World Acclaim

Connors Bros.' winning of the gold medal for their sardines at the International Fair at Antwerp evidences how these quality Canadian products are winning world acceptance. Operating the world's largest sardine plant, the completion last year of an up-to-date pure food Research Laboratory assures the most scientific preparation of Connors Bros. products and, through large production, their very moderate cost.

BRUNSWICK, DINING CAR SPECIAL, GLACIER, JUTLAND BRAND SARDINES; FRESH HERRING IN TOMATO, CHICKEN HADDIE, CLAMS.

CONNORS BROS. LIMITED

Black's Harbour, New Brunswick

DEPENDABLE!

Safeguarding the Health of Five Great Cities with

PURE MILK

Eastern Dairies Limited ... operating in five of Canada's greatest cities ... assures these communities of a dependable supply of that most vital element in the health-building diet — pure Milk. Eastern Dairies' milk is safeguarded every step of the way from herd to doorstep, none but the safest and most modern methods being used in its handling. Each of Eastern Dairies five great plants is completely staffed and equipped with one end in view — to supply dependable, safeguarded milk to an ever-increasing clientele.

EASTERN DAIRIES LIMITED

OWNING AND OPERATING

Acme Farmers Dairy Limited .... Toronto
Acme Farmers Dairy Limited .... Hamilton
The Producers Dairy Limited .... Ottawa
Crescent Creamery Co. Limited .... Winnipeg
Elmhurst Dairy Limited .... Montreal

CANADIAN COMPANIES OWNED AND OPERATED BY CANADIANS

BISCUIT AND CONFECTIONERY (Continued)

Laura Secord (Cont'd)

(Continued from page 15)

similar business in the United States and the management of these two companies is practically identical.

Capitalization— Authorized Outstanding
Common .... 57,500 shs. 57,500 shs.
No par value.

Funded Debt—
None.

Dividend Record—
Common: Present rate $3 per annum, payable Mar., June, Sept. and Dec. 1. Initial dividend of 50c. paid Dec., 1928, and regularly to Dec., 1929, when increased to present rate.

Head Office—
60 Bathurst St., Toronto.

Officers and Directors—
Officers — Frank P. O'Connor, pres.; J. D. Hayes, 1st vice-pres. and gen. mgr.; W. J. O'Connor, 2nd vice-pres.; C. P. Moher, 3rd vice-pres.; C. H. Ellston, sec.-treas.
Directors—Frank P. O'Connor, J. D. Hayes, C. H. Ellston, C. P. Moher, Toronto; A. A. Audette, Montreal.

Earn. per Share and Div. Record—

	1932	1931	1930
Common: Earned ..	$4.89	$5.22	$6.56
Paid	3.00	3.00	3.00

Six Years Earnings—

Year	*Earnings $	Dividends $	Surplus $
1927	167,812	43,654	124,158
1928	246,438	49,397	281,198
1929	379,765	120,716	500,246
1930	379,754	171,573	788,427
1931	300,037	172,513	836,744
1932	281,262	172,500	945,506

*After all operating expenses and provisions for bonus, depreciation, income taxes and in all years except 1931, depreciation in market value of bonds and reserve against investment in associated company.

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Common ...	48½	36	40	28	46	33

*To Oct. 11.

FANNY FARMER

Improvement in Profit Indicated for Present Year

Fanny Farmer Candy Shops Inc., is under the same control and practically the same management as Laura Secord Candy Shops Ltd. It operates some 148 stores in the United States and manufactures candy retailed solely through its own stores. Sales and earnings in the current fiscal year are stated to be well ahead of figures in the corresponding period of 1932 in which year the company earned $1.02 per share on its 98,602 shares of common stock. Net profits may approximate the 1931 figures of $232,722 in distinct contrast to reduced profit of 1932 which was $147,725.

This chain of candy stores has annual sales well in excess of $3,000,000 and while volume of sales since 1929 it would appear that the trend has been changed in the current year. Increase in sales is a result of lower prices which have served to increase unit volume at the same operating costs and overhead charges have been reduced. The company has reduced the number of preferred shares outstanding from 30,000 at the end of 1926 to 15,375 shares at the end of 1932. Preferred dividends have been paid regularly but payment of common dividends was deferred during 1932 to be resumed in the current year and the company is apparently back on an annual dividend basis of $1 per share.

	Authorized	*Outstanding
Preferred ...	45,000 shs.	15,375 shs.
n.p.v.		
Common ...	100,000 shs.	98,602 2/3 shs.
n.p.v.		

*Outstanding in hands of the public. In addition, corporation has purchased and registered in its own name, 6,619 preference and 1,397 1/3 common shares.

Dividend Record—
Preferred: $2.40 per share per annum, payable Mar., June, July and Oct. 1; paid regularly since July 1, 1926.
Common: Present rate $1 per share per annum, payable Jan., April, July and Oct. 1; paid regularly April, 1928, to April, 1932; none thereafter to Jan. 4, 1933, when 25 cents was paid and regularly since.

Head Office—
Rochester, N.Y.

Officers and Directors—
Officers—F. P. O'Connor, pres. and chm.; J. D. Hayes, 1st vice-pres. and gen. mgr.; W. J. O'Connor, 2nd vice-pres.; C. P. Moher, 3rd vice-pres.; C. H. Ellston, sec.-treas.
Directors—F. P. O'Connor, J. D. Hayes, Toronto; C. H. Ellston, M. I. Farrell, J. P. Hogan, Rochester.

Earn. per Share and Div. Record—

	1932	1931	1930
Pref.: Earned* ...	$8.97	$11.59	$16.41
Paid	2.40	2.40	2.40
Com.: Earned	1.02	1.44	2.46
Paid	0.50	1.00	1.00

*After deduction of preference stock sinking fund.

Six Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1927	439,067	68,102	994,984
1928	463,777	164,692	1,151,230
1929	529,661	148,953	1,182,003
1930	407,809	142,906	1,324,955
1931	278,722	139,146	1,282,344
1932	189,725	86,417	1,326,095

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Common ...	15	8½	10	7	18	8
Pref.	28½	23	29	25	34	27

*To Oct. 11.

Saint John Exports Gain

Indicating greater business activity, exports from Saint John for the nine months ended September 30 amounted to 538,233 tons, as compared with 546,842 tons for the entire twelve months of last year, according to figures announced by the Saint John Harbor Commissioners.

WILLARD'S

Operated by Blue Ribbon — Preferred Dividends Not Paid

The future of Willard's Chocolates Ltd. is closely linked with that of Blue Ribbon Corp. since, in 1931, the latter company took an option to purchase all of the common shares of Willard's Chocolates at $15 per share on or before April 15, 1935. Holders of preferred stock of Willard's Chocolates agreed to a reduction in the dividend rate from 8 per cent to 6½ per cent providing that Blue Ribbon Corp. agreed to guarantee dividends on the preferred stock from December 31, 1931, to March 1, 1935. Dividend due December 1, 1932, on the preferred stock was not paid by Blue Ribbon Corp. and no dividends have been paid since owing to legal technicalities which have not as yet been settled. An announcement regarding the position of Willard's preferred shareholders is pending. This disagreement does not affect the option held by Blue Ribbon Corp. on the Willard's common stock.

Willard's manufactures all classes of confectionery including box chocolates and chocolate bars. Lower prices prevailing on box chocolates and increased cost of raw materials affecting the fixed price lines such as chocolate bars have reduced the company's earnings to a point where it cannot pay preferred dividends amounting to some $30,000 per year. No income and surplus acount has been issued by Willard's since that for the year ended December 31, 1930, although a balance sheet showing approximate assets and liabilities was issued as at September 30, 1931.

Capitalization— Authorized Outstanding
Pref. Cum. $1,250,000 $474,000
Par $100.
Common .... 15,001 shs. 15,001 shs.
n.p.v.

Dividend Record—
Preferred—6½ per cent cumulative, payable 1st March, June, Sept. and Dec. Payments guaranteed by Blue Ribbon Corp. Initial quarterly dividend paid Mar. 1, 1932. Was 8 per cent cumulative, paid regularly to Sept. 1, 1930; none since.
Common: None paid.

Head Office—Toronto.

Officers and Directors—
Officers—W. S. Greening, pres.; C. E. Spooner, vice-pres. and man. dir.; J. C. Jamieson, treas.; E. M. Bragg, sec.
Directors—W. S. Greening, C. E. Spooner, D. H. McDougall, M. H. Toy, H. B. Housser, J. W. Mitchell, all of Toronto.

NATIONAL BISCUIT & CONFECTION

Sales Improve in Current Year — Profit May be Higher

National Biscuit & Confection Co. manufactures plain and fancy biscuits and candies at its plant in Vancouver which supplies the trade in British Columbia and Alberta. The company also has markets in the United States, the Orient, Australia and New Zealand. Fixed charges were earned in 1932 but volume of sales is reported to have shown an increase in the current year and while taxes have increased it may be possible for the company to earn both bond interest and depreciation reserve. Prices are reported to have been well maintained.

Capitalization— Authorized Outstanding
Pref. $75,000 $58,900
Par $100.
Common 25,000 25,000

Funded Debt—
1st mtge. 6½ per cent bonds, due 1950, outstanding $160,000.

Head Office—Vancouver.

Officers and Directors—
L. Nicholson, pres. and man. dir.; G. W. Morrow, vice-pres. and sales mgr.; Arnold Shiell, sec.-treas.; H. S. Wilders, [illegible] J. Anderson, E. B. McDermid, A. R. Fanning, T. G. Beattie.

Jenny Lind Candy

Jenny Lind Candy Shops Ltd. was partially financed in 1930 and in October of that year the company opened its first stores in Toronto. Original plans call for the opening of over 50 stores within the first year but lack of financing made necessary the abandonment of this programme and the company now has some 20 retail stores largely in Toronto where the manufacturing studio is located.

No financial statement has been issued by the company since it commenced business and no dividends have been paid on the preferred stock.

Capitalization— Authorized Outstanding
Pref. 7% $315,000 *$146,625
Par. $35.
Common .... 40,000 shs. 31,000 shs.
No par value.
*Including $6,010 unpaid balance.

Dividend Record—
Preferred—7 per cent per annum, payable semi-annually, Mar. and Sept. 30. None paid to date.

Head Office—Toronto.

Officers and Directors—
E. G. Robinson, pres.; A. W. Robinson, treas., Toronto; A. E. Hickman, St. John's, Nfld.; A. B. Pollock, Kitchener; C. L. Long, Orillia, Ont.

Sugar Refining

ACADIA SUGAR

Betterment Holds Enabling Company to Reduce Dividend Arrears

Earnings of Acadia Sugar Refining Co. for the first half of the year 1933 are reported to be slightly ahead of the corresponding period of 1932. It is expected that net results for the full year will compare favorably with those of 1932 when $715,973 was reported. This represented the largest net earnings reported by the company in any year since 1926.

Improvement in the company's earning power, reflecting a larger volume of business, is seen in the action taken by the directors to reduce arrears of dividends on the preferred stock. At the beginning of the year, the preferred was 20 per cent in arrears, but with the declaration at the beginning of last month, the arrears were reduced to 15 per cent as at that date.

Capitalization— Authorized Outstanding
Pref. cum. $1,500,000 $1,500,000
Par $5 and £1.
Common 1,500,000 1,500,000
Par $5 and £1.

Funded Debt—
6 per cent 1st mtge. S. F. bonds, due 1946, outstanding $2,128,000; 7 per cent gen. mtge. S. F. bonds, due 1946, outstanding $638,833.

Dividend Record—
Preferred—6 per cent cumulative, payable June and Dec. 15. Paid regularly from Dec. 15, 1930, and following payments made on arrears: 1% Dec., 1931; 1% June, 1932; 2% Dec., 1932; 2½% each Mar. 1 and June 1, 1933. Dividends on old stock were paid regularly from 1904 to 1916, none thereafter; in 1926, shareholders accepted reorganization of capital and distribution of new stock in lieu of arrears of dividends; none paid in new stock until Dec., 1930; arrears outstanding Sept. 1, 1933, 15 per cent.
Common—Dividends paid on old stock from 1904 to 1915; none since.

Head Office—Halifax.

Officers and Directors—
Officers—J. McG. Stewart, pres.; D. R. Turnbull, man. dir. and sec.
Directors—J. C. MacKeen, E. J. Longard, J. McG. Stewart, D. R. Turnbull, O. E. Smith, W. A. Black, Halifax; J. Mitchell, J. B. Ramsay, R. Thom, Glasgow, Scotland; Hon. T. W. McGarry, Toronto.

Times All Interest Earned—

Year ended:	Dec. 31 1932	Jan. 2 1932	Jan. 3 1931
Before deprec.	4.47	3.71	2.64
After deprec.	2.72	2.08	1.49

Earn. per Share and Div. Record—

	1932	1931	1930
Pref.: Earned† ...	$0.92	$0.61	$0.29
Paid	.30+.15*	.30+.05*	0.15
Common: Earned*..	0.47	0.26	....

None paid.

†Earnings calculated before making provision for arrears in preferred dividends.
*Before provision for arrears (other than those actually paid) but after full preferred dividends for the period.
*Paid on account of arrears.

ATLANTIC SUGAR

Volume of Trade Registers Increase During Year

Buying in anticipation of the tax on sugar was reflected in a marked increase in the volume of business handled by Atlantic Sugar Refineries the first half of the year. Imposition of this tax has had a disturbing effect upon marketing and while the volume of trade to date has held up remarkably well, it is expected that the tax will ultimately have the effect of restricting consumption.

No recent statements have been made by the company as to its earnings, but it is understood income is on a good basis. This is reflected in the payment of dividends on the Class A stock. Payment of dividends on this security was taken after the company's funded debt had been reduced below $3,000,000, according to the provisions of the trust deed.

Capitalization—

	Outstanding	Par
Pref. A 7% cum. ...	$1,111,100	$100
Pref. B $7 non-cum.	40,000 shs.	n.p.v.
Common	160,000 shs.	n.p.v.

Funded Debt—
5 per cent general mortgage sinking fund bonds. (Atlantic Sugar Refineries, incorporated 1912, assumed by new company), due 1941, outstanding Dec. 31, 1931, $3,551,247; 5 per cent debenture stock, due 1942, outstanding $911,102.

Dividend Record—
Preferred A—7 per cent cumulative, initial quarterly payment Oct. 1, 1932. None since. Old company had not paid dividends since 1920. Preferred was 78¾ per cent in arrears as at Jan. 2, 1932.

Head Office—Montreal.

Officers and Directors—
Officers—P. R. Gardiner, pres.; S. A. Hayden, sec.-treas.
Directors—P. R. Gardiner, S. A. Hayden, Toronto; T. J. Dillon, New York City; L. N. Dupuis, D. H. McDougall, Montreal.

Canning and Packing

CANADA PACKERS, LTD.

Reaping in 1933 Benefit of Drastic Economies, Elimination of Duplication and Improving British Market

Canada Packers, Ltd., Canada's most outstanding exporter and manufacturer of packing products, is reaping this year the benefit of careful policies followed ever since its formation in 1927 through a merger with Harris Abattoir Co., Gunn's Ltd., Canadian Packing Co. and Wm. Davies Co.

During these years the company has been able to adjust itself to the changing price situation after 1929 and to take advantage of the export market which decreasing prices of livestock opened again to Canada for the first time in many years aided by the Imperial bacon quota.

Through this period operations have been consolidated as far as possible and every possible economy made to bring the industry out of the era of losses which previously faced some of the largest companies in the Dominion.

Because Canada Packers considered it had insufficient working capital at the time of the merger, dividends were not paid on the preferred stock, as it was desired that a net liquid position of $10,000,000 should be built up first.

Clearing Preferred Arrears

Because of the decline in prices the company has been able to lower its objective and this year made financial history in the packing industry by commencing to pay back the arrears of $10.50 per share on the preference stock.

Price advances in 1933 relieved the company to a considerable extent from the almost continuous declines of the two preceding years, involving heavy inventory losses. It was even estimated that if the advances in commodity prices were to continue the company might be able to pay off the deferred preference dividends within 12 or 15 months. Their payment would clear the way for dividends on the common shares.

Under the quota system export increases have been made to Great Britain and the recent advance in sterling exchange has further increased the returns for Canadian bacon.

J. S. McLean, in the last financial statement for the year ended March 30, 1933, points out that in the last 15 years the Canadian packing industry, taken as a whole, has made losses, not profits. He considered that in the best years a packing house ought to make a net profit on its sales of about 2.5 per cent. In the best year of these 15 years the net profit was 1.55 per cent. The average net profit for six years was 1.24 per cent. In the last five years the average profit was equivalent to one-sixth cent per pound of products sold or to 1.24 per cent of sales.

Large Savings Made

By means of the merger in August, 1927, and economies made since then, the number of operating plants have been reduced from nine to five, the number of persons in the head office staff from 797 to 374, the number of employees in plants from 3,641 to 2,483 and the number of car route salesmen from 317 to 194.

By these stern measures operating expenses were reduced about $7,000,000 a year or 40 per cent.

The most delicate operation of all, the co-ordinating of sales operations, was completed in 1933. Four independent sales forces, with four sets of brands have now been co-ordinated into a single selling organization and a single set of brands. The leading brand is "Maple Leaf" brand.

Since the company began reducing its preferred arrears, these have dropped from $10.50 a share to $5.25 a share.

Capitalization— Authorized Outstanding
Pref. 7% cum $10,000,000 $6,033,500
(Par $100).
Common (n.p.v.) 200,000 sh. 200,000 sh.

Funded Debt—
None. As at March 31, 1933, bond issues of subsidiary companies outstanding amounted to $4,890,900.

Dividend Record—
Preference—7 per cent per annum, cumulative from July 1, 1927, payable quarterly, Jan., Apr., July and Oct. 1. Initial dividend paid April 1, 1929, and regularly since. Initial payment on arrears account of $1.75 per share paid July 3, 1933, $3.50 paid Oct. 2, 1933.
Common—None paid.

Subsidiaries—
William Davies Company, Inc.
The Harris Abattoir Company, Ltd.
Canadian Packing Company, Ltd.
Gunns Limited.

Head Office—Toronto

Officers and Directors—
Officers — J. S. McLean, pres.; E. C. Fox, T. F. Matthews and W. T. Harris, vice-presidents; S. G. Brock, sec.-treas.; N. J. McLean, gen. mgr.
Directors—J. S. McLean, E. C. Fox, T. F. Matthews, Norman J. McLean, W. S. Cameron, R. W. Perry, W. T. Harris, A. L. Laing, A. G. Hall and C. Laursen, all of Toronto, Ont.; Joseph Harris, Winnipeg, Man.; G. S. Matthews, Peterborough, Ont.

Earn. per Share and Div. Record—

Yr. End.	Mar. 31 1933	Mar. 31 1932	Mar. 26 1931
Pref.: Earned†	$10.07	$7.46	$13.58
Paid	7.00	7.00	7.00
Common: Earned†	0.93	0.14	2.01

†Without allowance for arrears of dividends on preferred.

Five Years Earnings—

Year	*Earnings $	Dividends $	Surplus $
1929	1,503,298	115,939	2,598,444
1930	1,552,072	444,738	3,706,569
1931	838,112	435,395	4,111,638
1932	450,303	422,819	4,073,622
1933	607,672	422,254	4,259,040

*After all expenses, bond interest, income tax provision for current year, and depreciation.

Wm. Davies Co., Inc.

(Controlled by Canada Packers)

Capitalization— Authorized Outstanding
Class A com. 60,435 shs. 60,435 shs.
Class B 60,000 shs. 60,000 shs.
(No par value).
Canada Packers Ltd. owns all except 31 shares of Class A stock and all the Class B stock.

Funded Debt—
Six per cent first mortgage sinking fund bonds, Series A, due 1942; outstanding $1,625,000. An additional $1,500,000 of series B authorized but not issued.

Subsidiaries—
The William Davies Company, Limited—Operates the Canadian properties of the company.
The company has outstanding $4,000,000, 6 per cent First Mortgage Demand gold bonds held as collateral to the bond issue of William Davies Company, Inc.
Ontario Fertilizers Limited—An affiliated company.
National Canned Meats, Limited—Situated at Toronto.
Federal Cold Storage & Warehousing Co.—Operates a cold storage plant on Front St., Toronto. Entirely owned by parent company.
Duane Produce Co. — An inoperative plant, located at New York.

Head Office—Chicago.
Officers—E. C. Fox, pres.; R W. Perry, vice-pres.; S. G. Brock, sec.-treas.
Directors—E. C. Fox, J. S. McLean, N. J. McLean, R. W. Perry and S. G. Brock, all of Toronto, Ont.

Harris Abattoir

(Entirely owned by Canada Packers)

Capitalization— Authorized Outstanding
Stock $5,000,000 $2,555,000
(Par $100. All owned by the parent company).

Funded Debt—
Six per cent first mortgage sinking fund bonds, series A, due 1947; outstanding $3,245,900.

Subsidiaries—
Harris Abattoir (Western) Limited—St. Boniface, Man.
Ontario Fertilizers Ltd.—Owned jointly by this company and Wm. Davies Co., Inc.
Canadian Gas and Equipment, Ltd.
Public Cold Storage and Warehousing Co.
Sales Companies—In addition the company operates as separate companies, four sales subsidiaries in Nova Scotia, Quebec, New Brunswick and Saskatchewan.

Head Office — Union Stock Yards, Toronto.
Officers—W. T. Harris, pres.; J. S. McLean, vice-pres.; J. Harris, vice-pres.; S. G. Brock, sec.-treas.; C. Wadge, asst sec.; W. S. Cameron, man.-dir.
Directors—J. Harris, Winnipeg; J. S. McLean, S. G. Brock, W. T. Harris, N. J. McLean, W. S. Cameron, J. S. Willis, C. C. Polkinghorne, C. Wadge and C. Laursen, all of Toronto.

Gunns Ltd.

(Entirely owned by Canada Packers)

Capitalization— Authorized Outstanding
Common (n.p.v) 3,000 shs. 3,000 shs.
The entire capital stock is owned by Canada Packers.

Subsidiaries:
Walkerton Egg & Dairy Co., Limited—Walkerton, Ont.
Wellington Product Co., Limited—Harriston, Ont.
Gunn, Langlois and Company, Limited.

Officers and Directors—
Officers—J. S. McLean, pres.; Brig.-Gen. J. A. Gunn and N. J. McLean, vice-pres.'s; S. G. Brock, sec.-treas.
Directors—J. S. McLean, N. J. McLean, Brig.-Gen. J. A. Gunn, W. S. Cameron, and S. G. Brock, all of Toronto.

Canadian Packing

(Entirely owned by Canada Packers)

Capital stock—
All owned by Canada Packers, Ltd.

Officers and Directors—
Officers—T. F. Matthews, pres.; J. S. McLean, vice-pres.; S. G. Brock, sec.-treas.
Directors—T. F. Matthews, J. S. McLean, N. J. McLean, E. C. Fox, G. S. Matthews, W. S. Cameron, S. G. Brock, all of Toronto.

ASSOC. QUALITY

Reduces Inventory Somewhat in 1933 and Packs Less

Associated Quality Canners, controlled by The Whittall Can Co., was incorporated under Dominion laws in 1928 to engage in the canning and packing of fruit and vegetables and the manufacture of jams, jellies, marmalades and related products. It has had heavy losses since 1931 in common with other companies in the canning industry and has now an accumulated deficit of $1,129,629 as compared with an accumulated surplus of $226,236 at the end of 1930.

By reason of these difficult years the company had at the end of its last year, February 28, 1933, a working capital deficiency. Its current assets were made up in great part of the inventories estimated at $1,419,733, and its current liabilities were made up entirely of secured bank loans of $1,775,875 and accounts payable of $38,406.

Because of the large carryover this and other companies packed less in 1933. The carryover shown has been considerably decreased since the end of the fiscal year. The tomato pack will be larger than anticipated in 1933 because of the abnormally long season this fall without a frost. British Columbia had an early frost, however, and her pack will be down. Associated Quality Canners are doubtful so far as to how much the pack may have been increased in the last two weeks, and it is important as it may have some influence on the price situation.

ASSOCIATED QUALITY CANNERS

(Controlled by Whittall Can Co.)

Capitalization— Authorized Outstanding
Common (n.p.v.) 100,000 shs. 82,615 shs.
58,335 shares of the outstanding stock owned by the Whittall Can Co.

Funded Debt—
6 per cent 1st mtge. bonds series A, due 1942, outstanding $500,000.

Dividends—
Common—None at present. Was $1.50 per annum, payable quarterly, Mar., June, Sept. and Dec. 1. Initial dividend of 37½ cents paid Dec. 1, 1928, and regularly until Dec. 1, 1930. Payment due Mar. 1, 1931, passed. None since.

Head Office—Toronto.

Officers and Directors—
Officers—A. R. Whittall, pres.; Hon. Manning Doherty, vice-pres.; F. R. Whittall, gen. mgr.; P. G. Prior, sec.-treas.
Directors—F. R. Whittall, D. S. Whittall, A. R. Whittall, F. A. Whittall, Col. E. G. Hanson, J. A. Mann, G. Robertson, Montreal; Hon. Manning Doherty, Toronto.

Earnings per Share and Dividend Record—

	1933	1932	1931
Common: Earned ..	nil	....	....
Paid	nil	....	$1.12½

Five Years Earnings—
Year End. Feb. 28:

Year	Earnings $	Dividends $	Surplus $
1929	298,636	60,000	160,795
1930	261,382	120,675	226,236
1931	52,744	90,675	106,494
1932	‡539,545	......	†577,945
1933	‡393,734	......	†1,129,629

‡Loss. †Deficit.

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Common ...	..	..	3	3	10	3

*To Oct. 11.

CANADIAN CANNERS

Position of Company, Hard Hit by Over-Production in Industry and Unprofitable Price Structures During Depression, Shows Improvement

Canadian Canners, Ltd., in 1933 is finding increased commodity prices and diminishing stocks of canned goods a welcome relief from the losses and the cut prices which existed as a result of severe competition in preceding years. The excessive holdings packed in 1930 and 1931 by the many competing units have pressed heavily on the market ever since and in the case of peas, beans, tomatoes and corn produced prices at which a profit was impossible.

Canadian Canners is regarded as the acknowledged leader in Canada in the canning of fruits, vegetables and soups.

Canadian Canners covers all Canada from its 62 factories in Ontario, Quebec and British Columbia. It started with 30 factories in 1903 and has expanded ever since.

In addition to the fact that prices have risen to a position where a reasonable profit is once more possible, Canadian Canners is aided by the fact that the excessive stocks of some years ago now are acquiring value because of the reduced crop in 1933.

Grows in Importance

The preference given in the British market also gives an opportunity to Canadian packers who desire to export. Canadian Canners took advantage of that in marketing surplus of crops not needed for the domestic market.

The canning industry has assumed much greater importance in the last few decades. This one company alone has made more progress in the last nine years than in all its previous history of 20 years. With $25,000,000 invested in the industry it compares with the situation 50 years ago when there was not a cent invested in the industry.

At one time a canning company was peculiarly vulnerable in the sense that with small capital anybody could start a canning factory, providing he had some knowledge of the basic principles. Now improvements in machinery, growing diversity of lines, scientific study of exact requirements of consumers, many years of experience in selecting fruits and vegetables and in processing have made it a more difficult thing to do. The tomato packer is probably most open to this type of competition.

Main Market is Canada

Canadian Canners main market is Canada. The Canadian market takes the chief place in the thoughts of its executives and policies are framed every year with reference to Canadian needs. Foreign markets are important but a secondary consideration. The company has sold in some 30 to 40 countries when market conditions offered opportunities.

According to British publications the best opportunity for Canadians to score in the British market is with tomatoes. However, there has been an increasing market for Canadian fruit in recent years.

Capitalization— Authorized Outstanding
1st pref. 6% $5,000,000 $3,884,850
Par $100.
2nd conv. pref. .. 400,000 sh. 363,732 sh.
n.p.v.
Com. (n.p.v.) ... 200,000 sh. 137,784 sh.

Funded Debt—
General mortgage bonds, 6 per cent, due 1950, $2,341,200. First mortgage sinking fund, 6 per cent bonds of Dominion Canners, due 1940, $1,004,000.

Dividend Record—
1st preferred—6 per cent, cumulative, payable 1st Jan., Apr., July and Oct.; paid regularly since Jan., 1928.
Second preferred—Present rate 20c. per share per annum, payable Jan., Apr., July and Oct. 1.
Common—None at present.

Subsidiaries—(Wholly owned)—
Canners Seeds, Ltd., Wellington, Ont.—Grows seeds for improvement of vegetables.
Pembroke Shook Mills, Ltd. — Makes boxes for canning and other industries at Pembroke, Ont.
Canners Machinery, Ltd.—Manufactures machinery and repair parts at Brighton, Ont.
Wagstaffe, Ltd.—Hamilton, Ont.
St. Hyacinthe Canning Co.—St. Hyacinthe, Que.

Head Office—Hamilton.

Officers and Directors—
Officers—Avern Pardoe, pres.; Mark Bredin, chm. and 1st vice-pres.; W. R. Drynan, 2nd vice pres. and gen mgr.; C. E. Innes, asst. gen. mgr.; P. Croucher, sec.-treas.
Directors—W. R. Drynan, A. Leitch, Hamilton; Avern Pardoe, W. G. Lumbers, H. C. Schofield, Mark Bredin, J. A. Northway, Toronto; W. G. MacKendrick, Oakville; W. L. Innes, C. E. Innes, Simcoe; E. A. Pearce, Picton; G. C. Edwards, Ottawa.

Times Interest Earned—

Yr. end. Feb. 28:	1933	1932	1931
Before depr. & after exch., int., etc. ..	*3.24	1.46	4.78
After depr., exch., int., etc.	*2.35	0.51	3.85

Earn. per Share and Div. Record—

	1933	1932	1931
1st pref.: Earned ..	$7.80	nil	$13.40
Paid	6.00	$6.00	6.00
2nd pref.: Earned*	0.08	nil	0.93
Earned†	nil	nil	0.77
Paid	0.47	0.77	0.95
Common: Earned†..	nil	nil	0.42
Paid	0.05	0.42½	0.87½

*Before taking into consideration dividend provision governing second preference and common shares.
†After taking into consideration dividend provision governing second preference and common shares.
*Includes premium on U. S. funds.

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1926*	777,229	364,568	520,454
1927*	813,465	442,038	655,548
1928*	836,205	492,167	766,130
1930§	1,909,633	633,551	980,208
1931†	1,025,037	739,591	851,382
1932†	511,656	612,053	541,012
1933†	729,017	451,267	393,531

*Year ending Dec. 31.
†Year ending Feb. 28.
§Jan. 1, 1929 to Feb. 28, 1930.

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Common ...	10¾	2½	6¾	1¾	13½	8
1st pref. ...	81	48	80	40	92½	80
2nd pref. ...	14	3¾	9	3¼	14	8¾

*To Oct. 11.

BURNS & CO.

1933 Earnings Show Improvement Over Past Three Years — Report of Protective Committee Due Within Few Weeks

Business of Burns & Co. has shown substantial improvement in the current year and earnings to date have been better than in any of the last three fiscal years. Greater unit volume of sales at higher prices and lower operating costs resulting from economies effected have been chiefly responsible for improvement in earnings while the upward trend of commodity prices have given the company profits on inventories rather than the losses that have been substantial in recent years.

The company operates a meat packing and general foodstuffs business with packing houses located in Calgary, Edmonton, Regina, Prince Albert, Vancouver and Winnipeg. Cold storage facilities and branch warehouses are located at several other points. During the past year the company has sold a number of its retail meat and provision markets while other operations have been consolidated. Through its wholly-owned subsidiary, Palm Dairies Ltd., the company is engaged in the manufacture and distribution of milk, ice cream and cheese. Control is also held of Consolidated Fruit Co. While the company operates chiefly in Western Canada it exports to Great Britain, Europe, the West Indies and the Orient, such products as bacon, ham, butter and cheese.

Working capital of the company has been substantially improved in the past two years as a result of bondholders permitting the company to postpone payments on account of sinking fund and interest on the 5½ per cent first mortgage bonds outstanding to the amount of $6,799,900. This arrangement was assented to in June, 1932, and a protective committee was formed to look after the interests of the bondholders. The 18 months period of grace expires on December 1, 1933, and a report from the protective committee is anticipated within the next few weeks that may recommend either a continuation of the present arrangement or a recapitalization of the company. There is no indication at the present time as to how the proposals of the protective committee will affect holders of $6,904,300 of 6 per cent preferred stock which is outstanding and on which cumulative dividends have not been paid since October 1, 1930.

Capitalization— Authorized Outstanding
Pref. 6% $12,000,000 $6,904,300
Par $100.
Manag'mt ft. shs. 3 shs. 3 shs.
No par value.
Com. (n.p.v.) .. 149,997 shs. 119,997 shs.

Funded Debt—
First mtge. 5½ per cent series A sinking fund gold bonds, due 1948; outstanding $6,799,900. Interest due June 1, 1932, to June 1, 1933, inclusive, postponed to Dec. 1, 1933.

Dividends—
Preferred—6 per cent cumulative, payable Jan., Apr., July and Oct. 1; paid regularly to Oct. 1, 1930; none since.
Common—None paid.

Subsidiaries—
Palm Dairies Ltd. — (Wholly-owned). Capitalization $860,000 bonds, acquired by Hon. Patrick Burns in 1931 and 10,000 no par value common shares, 9,995 of which are owned by the parent company. The bond issue is guaranteed by the parent company.
Consolidated Fruit Company Limited—77 per cent owned.

Head Office—Calgary, Alta.

Officers and Directors—
Officers—Hon. Patrick Burns, chm.; W. J. Blake Wilson, pres.; John Burns, vice-pres. and gen. mgr.; W. E. Corlet, sec.
Directors—Hon. Patrick Burns, John Burns, J. I. McFarland, A. C. Newton, Wm. Toole, Calgary; W. J. Blake Wilson, Col. A. M. Brown, Vancouver; W. S. Hodgens, Toronto; R. W. Pearson, Edmonton.

Times Bond Interest Earned—

	1932	1931	1930
Before depr. but after bank int.	0.03	0.44	1.00
After depr. and bank int.	nil	nil	....

Earn. per Share and Div. Record—

	1932	1931	1930
Pref.: Earned ..	....	....	*$0.02
Paid	....	....	4.50
Common: Earned ...	....	....	....

None paid.
*Before provision for depreciation.

Five Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1928	1,409,612	343,295	252,433
1929	1,447,007	416,250	325,637
1930	687,532	312,531	14,633
1931	299,289	......	*516,461
1932	96,473	......	*1,167,784

*Deficit.

B. C. PACKERS

Pacific Coast Pack Increases But Higher Costs Reported

British Columbia Packers Ltd., and subsidiary companies showed a loss of $287,219 for the year ended February 28, 1933, on net sales of salmon, pilchard of $2,215,871. The company entered the 1933 season with nearly $1,000,000 inventories against which total liabilities were $1,495,736 including secured bank loans of $590,000 and bills payable (secured) of $822,755.

The pack in the 1933 season has been somewhat over that of 1932 for the whole industry. A larger pack of sockeyes, for instance, was made. However, H. R. MacMillan, president, in a statement last summer to The Financial Post stated that the company's earnings would probably be insignificant when considered in terms of the capital set-up of B. C. Packers. He expects another large deficit on this year's operations and mainly as a result of the fact that the price of sockeye to fishermen was allowed to advance as high as 50 cents as compared with 30 cents in 1932. Much of the company's output is sold in England and the only chance seen at the moment to get a better position than indicated here is that a growing demand in England, and especially for sockeye, might justify a higher price. The price is competitive, however, as salmon goes to the United Kingdom also from Japan and Russia.

This company as a rule packs about half the Pacific coast's salmon pack in Canada. It suffers from intense competition in the British market from Japanese and Russian salmon canners and because of losses resulting from the tremendous inventories built up in 1930 and their liquidation in succeeding years at lower prices. Bank loans were reduced from more than $3,000,000 in the last several years.

In order to increase the acceptability of the salmon in England, the Dominion Government has, in the last few years, applied rigorous inspection as to quality and has graded the salmon. It reports consistent high quality.

Capitalization— Authorized Outstanding
Pref. cum. $5,000,000 $3,940,500
Par $100
Common, n.p.v. .. 500,000sh. 277,557 sh.

Dividend Record—
Preference—Entitled to 7 per cent per annum, cumulative from April 1, 1929, payable quarterly, July, Oct., Jan. and Apr. 1. Initial dividend paid July 1, 1929, and regularly to Oct. 1, 1930. Dividend due Jan. 1, 1931, deferred. None since.
Common—None paid to date.

Subsidiaries—(Wholly-owned.)
British Columbia Fishing & Packing Co., Ltd.—Owns the Wallace Fisheries, Ltd., Packer Steamships Co., and Skeena River Packing Co. Ltd.
Gosse Packing Co., Ltd.—Incorporated in 1926 with B. C. charter.
Millerd Packing Co.

Head Office—Vancouver.

Officers and Directors—
Officers—H. R. MacMillan, pres.; Stanley J. Burke, vice-pres.; C. C. Thomas, man. dir.; J. M. Buchanan, sec.
Directors—H. R. MacMillan, Stanley J. Burke, C. C. Thomas, F. E. Burke, George Kidd, J. P. D. Malkin, S. K. Murray, all of Vancouver; J. H. Gundy, A. H. Williamson, Toronto.

Earnings per Share and Dividend Record—

Yr. end. Feb. 28:	1932	1931
Preferred: Earned	nil	nil
Paid	nil	$5.25
Common: Earned	nil	nil

None paid.

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Common ...	8	1	3½	60	3½	1½
Preferred ..	20	6	8½	4	22	5

*To Oct. 11.

CONNORS BROS.

Large Sardine Factory Hurt in Export Business by Adverse Exchange

Investment interest in Connors Bros., operators of the largest sardine canning factory in the world at Blacks Harbour, N.B., is limited to the outstanding first mortgage bonds. Since the new management took hold the company has built up an extensive export trade in all corners of the globe.

In the last few years Connors Bros. has been greatly affected by the disturbance in the international monetary situation like all other exporters. These exchange fluctuations have limited trade and to some extent affected earning power.

No financial statement is issued by Connors Bros. but early in 1933 it was stated that earnings were sufficient to warrant payment of bond interest, preferred dividends and a dividend on the 4,000 shares of no par value. Since Canada's dollar acquired a steadier relation to the pound sterling the company's business has increased.

Capitalization— Authorized Outstanding
Pref. ($100 par) .. $250,000 $250,000
Common (n.p.v.) .. 5,000 shs. 4,000 shs

Funded Debt—
6½ per cent first mortgage sinking fund coupon bonds, due 1938; $250,000 originally outstanding; $10,000 being redeemed each year through sinking fund. Outstanding $130,000.

Dividend Record—
Preferred—7 per cent payable quarterly, Mar., June, Sept. and Dec. 1.
Common—$4 per share, payable quarterly, with bonus if business warrants; total of $5 paid in 1927; $6 in 1928; $7 in 1929; $8 in 1930; $4 in 1931; payment made in 1932 but amount not published.

Head Office—Blacks Harbour, N.B.

Officers and Directors—
Officers—A. N. McLean, pres.; L. V. Lingley, vice pres.; A. M. A. McLean, treas.; J. M. Scovil, sec.
Directors—A. N. McLean, L. V. Lingley, J. M. Scovil, Hon. B. M. Hill, Saint John, N.B.; C. H. Easson, Toronto; A. M. A. McLean, Blacks Harbour, N.B.

BLUE RIBBON

Operating Profit Slightly Higher in Year Ended June 30

Blue Ribbon Corp. had a slightly higher operating profit in the year ended June 30, 1933, than in 1932 but net profit was lower due to write-offs on investments. Operating profit of $130,882 in the last fiscal year compared with the peak operating profit of $265,929 in the year ended June 30, 1931, while net profit in 1933 is down to $70,510 from $210,269 in 1931. The passing of dividends on the common stock enabled the company to increase surplus.

The company was formed in March, 1930, to acquire Pure Gold Manufacturing Co. and Blue Ribbon Ltd. These subsidiaries are engaged in the manufacture of baking powder, spices, cereals, etc., and are importers and distributors of teas, coffees, cocoa, etc. In November, 1931, Blue Ribbon Corp. completed negotiations for control of Willard's Chocolates Ltd. under a conditional agreement whereby Blue Ribbon guaranteed dividends on the preferred stock of Willard's Chocolates Ltd. and took an option to buy common stock of Willards at $15 per share on or before April 15, 1935. Willard's preferred dividends have not been paid since 1932 and this part of the agreement is now in dispute with a statement on the situation anticipated at an early date.

Capitalization— Authorized Outstanding
Common .... 150,000 shs. 63,475 shs.
No par value.
Pref. cum. conv. . $1,500,000 $1,439,750
Par $50.

Dividend Record—
Preferred—Entitled to 6½ per cent cumulative, payable Feb., May, Aug. and Nov. 1. Paid regularly from Aug., 1930 to Nov., 1931; rate reduced to 4 per cent by payment of 50c. Feb. 1, 1932; paid regularly at this rate since.
Common—None at present; former rate $2 per share per annum, payable Feb., May, Aug. and Nov. 1; paid regularly from July, 1930 to Nov., 1931; none since; dates of payment changed May, 1931.

Subsidiaries—
Pure Gold Manufacturing Co., Ltd.—Common stock outstanding 50,000 shs. n.p.v., all held by parent company.
Blue Ribbon, Limited—Preferred stock outstanding $1,000,000, par $50; common stock 30,000 shs. n.p.v., all owned or controlled by the parent company.

Head Office—Toronto.

Officers and Directors—
Officers—W. S. Greening, pres.; J. M. deC. O'Grady, vice-pres.; J. C. Jamieson, sec. treas.; J. Ball and W. K. Fraser, asst. sec.
Directors—W. S. Greening, Lt.-Col. J. F. Michie, C. E. Spooner, A. C. Matthews, Toronto; J. Ball, William Hood, J. M. deC. O'Grady, Winnipeg.

Earn. per Share and Div. Record—

	1933	1932	1931
Pref.: Earned	$2.45	$2.76	$7.28
Paid	2.00	2.62½	3.25
Common: Earned .	*nil	nil	1.81
Paid	*nil	‡1.17	†1.50

†Not including initial dividend of 50c. a share paid July, 1930, and deducted in 1930.
*After deduction of full year's preferred dividends.
‡Included two quarterly payments, 50 cents each, and adjusting dividend of 17 cents per share.

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Common ...	6	1	8	2	20	7
Pref.	23	10	25	9	39½	27

*To Oct. 11.

Wholesale Grocers

NATIONAL GROCERS

Higher Earnings Reported in Current Year — Dividend is Deferred

National Grocers Co. is one of the principal wholesale distributors of groceries in Ontario and has been operated with a marked degree of success since the company was formed in 1925 as a consolidation of some 23 wholesale grocery companies in the province. During the fiscal year ended June 30, 1933, the company was able to show a good increase in net earnings which amounted to $601,109 as compared with $569,291 in the preceding year and peak earnings of $695,016 reported in the year ended June 30, 1929.

While official confirmation is lacking, it is anticipated that the company will seek to refund bank loans of approximately $1,000,000 which were incurred when the company retired $1,086,500 of 6½ per cent notes which matured on August 15, 1932. The funding of the bank loan by issuing a first mortgage bond would give the company an excellent liquid position.

In 1930, there was retired the last of a first preference stock issue leaving $2,953,200 of second preferred stock outstanding which is now the ranking security of the company. While dividend requirements on this preferred stock have always been covered by a good margin, dividend payments have not been regular and the company recently deferred making the payment due October 1 in order to build up a better cash position. All stock presently outstanding was originally issued only to proprietors and stockholders of companies included in the merger which took place when the company was formed.

Capitalization— Authorized Outstanding
Com. (n.p.v.) 300,000 shs. 295,852 shs.
Pref. 7% cum. 3,500,000 2,953,200
Par $100.

Funded Debt—
1st mortgage bonds, authorized $1,500,000; none issued.

Dividend Record—
Preference—Entitled to 7 per cent per share per annum, cumulative, payable quarterly, Jan., April, July and Oct. 1. Initial dividend of 1¾ per cent was paid on Jan. 1, 1929, followed by similar payments on July 1, 1929; Jan. 1, 1930 and July 1, 1930. No dividends paid from that date until $1.75 per share paid Oct. 1, 1931; $1.75 paid Jan. 2, 1933 and July 3, 1933. None since. As at June 30, 1933, dividends were in arrears approximately 49¾ per cent.
Common—None paid to date.

Head Office—21 Front St. E., Toronto.

Officers and Directors—
Officers—A. M. Woolnough, chm.; Archie Foster, pres. and gen. mgr.; John Medland, vice pres.; T. H. Kinnear, sec.-treas.
Directors—A. M. Woolnough, Archie Foster, John Medland, T. H. Kinnear, David Blain, Toronto; M. D. Lemon; W. G. McLauchlan, Owen Sound; A. J. Major, Ottawa; J. H. Simpson, Guelph; Hon. George Gordon, North Bay; W. H. Kenny, Sarnia.

Times Bond Interest Earned—

Yr. End. June 30:	1933	1932	1931
Before deprec.	7.26	6.44	5.95
After deprec.	5.81	5.17	4.67

Earn. per Share and Div. Record—

Pref.: Earned	$10.45	$9.08	7.94
Paid	3.50	1.75	Nil
Com.: Earned*	0.34	0.21	0.09

None paid.
*After deducting full year's preference dividends.

Six Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1928	585,518	74,254	265,116
1929	695,016	163,396	452,716
1930	620,587	152,334	562,798
1931	567,064	26,734	634,176
1932	569,291	51,681	809,329
1933	601,109	103,362	837,007

Market Record—

	*1933 High	Low
Preference	100	85

*To Oct. 12.

WESTERN GROCERS

Operations Extended by Purchase of Fruit Company — Bank Loans High

Operations of Western Grocers Ltd. are concentrated in the Prairie provinces where the company maintains a number of branch warehouses. The company sells to the Red & White chain which comprises some 700 stores which are independently owned by customers of the company. During 1932 the company disposed of branches at Cranbrook, B.C., and Fort William, Ont., while control was secured of Nash-Simington Co., which wholesales fruit and vegetables in the Prairie provinces.

The company has maintained its volume of sales in a satisfactory manner over the last two or three years while net earnings in 1932 showed some increase over those for 1931. It is understood that earnings are somewhat larger in the current year than in the corresponding period of 1932.

The company has earned and paid dividends on preferred stock regularly but no dividend has as yet been paid on common shares. Owing to the purchase of Nash-Simington Co. in September, 1932, the company carries substantial bank loans in its balance sheet amounting to $976,500 at the end of 1932. As a result of this bank loan, working capital was reduced to $681,355 from $1,561,323 in 1931.

The company maintains head office, warehouse and cold storage plants at Winnipeg and has branch warehouses located at Calgary, Edmonton, Lethbridge, Moose Jaw, North Battleford, Prince Albert, Regina, Saskatoon, Yorktown, Brandon, Dauphin, Le Pas, Winnipeg, Fort Francis, Kenora and Port Arthur.

Capitalization— Authorized Outstanding
Pref. 7% cum. .. $2,500,000 $1,194,300
Par $100.
Com. (n.p.v.) .. 30,000 sh. 16,943 sh.

Funded Debt—
None.

Dividends—
Preference—$7 per annum, cumulative, payable Jan., Apr., July and Oct. 15. Paid regularly since 1926.
Common—A dividend of $1 per share was paid March 15, 1927. None since.

Subsidiary—(Wholly-owned)—
Nash-Simington Co. Ltd.—A wholesale fruit and vegetable organization operating in Western Canada. Acquired as at Sept. 1, 1932.

Head Office—Winnipeg.

Officers and Directors—
Officers—W. P. Riley, pres.; W. H. McWilliams, vice-pres.; Eben Govan, sec.-treas.; W. S. Graham, asst. sec.-treas.
Directors — W. P. Riley, W. H. McWilliams, H. W. Hutchinson, F. O. Fowler, Winnipeg.

Earn. per Share and Div. Record—

	1932	1931	1930
Pref.: Earned	$7.40	$6.55	$7.54
Paid	7.00	7.00	7.00
Common: Earned ..	0.28	nil	0.38

Seven Years Earnings—

Year	*Earnings $	Dividends $	Surplus $
1926	155,252	83,601	246,596
1927	162,140	100,544	264,010
1928	176,124	83,601	309,491
1929	193,170	83,601	371,799
1930	133,777	83,601	378,307
1931	121,671	83,601	372,909
1932	141,136	83,601	277,718

*After deducting all operating expenses, interest paid on bank and mortgage loans, and making provision for bad and doubtful accounts.

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Common ...	24	8	12½	10	17	10
Preferred ..	85	54	60½	43	50	40

*To Oct. 11.

Wheat

From Our Grain Correspondent

Liverpool Blamed for Slump

WEAKNESS in markets of the United States has been blamed for some of the recent decline in Winnipeg wheat prices. Much more important has been a decline in values at Liverpool, which during the past month has been equal to about 15 cents a bushel, and the effect of this decline has been increased whenever the value of the pound has dropped in Canadian currency.

Great Britain has continued to buy wheat rather strongly, but the effect of purchases has been discounted by the continuous movement of wheat from both the Argentine and Australia which continued to press sales regardless of any Canadian inclination to suspend offerings. Russian, Danubian, French and Polish offerings have all served to depress prices.

Earlier in the season Liverpool showed a good deal of apprehension over crop developments in both Australia and the Argentine. There is much less concern now, even though the improvement in each country is possibly less than at first appeared. New Australian wheat will have to meet the competition not only of a large English crop, but also of other soft wheats from the continent.

* * *

Buyers Sitting Back

AT ONE time the foreign buyer showed some inclination to anticipate the fact that at the end of the current crop year there should be some reduction in world suppiies of wheat, but his interest in the future has been weakened by the pressure of current offerings, as well as by new uncertainties in international politics and economics. Liverpool reports have occasionally suggested that the reluctance of buyers to commit themselves in Winnipeg has been increased by news of fresh buying by the Government agency, and a feeling that stabilization wheat bought would later have to be sold at lower prices.

It is difficult to be sure, however, that much more forward buying might have come in from overseas under other circumstances. The main feature of the situation appears to be that the overseas millers, faced with abundant immediate offerings, and the assurance that wheat is bound to be plentiful for a long time ahead, feel little need for forward buying.

LAWRENCE FLOUR ADDS TO EARNINGS DURING PAST YEAR

Larger Write-offs and Share Profits Are Maintained

From Our Own Correspondent

MONTREAL. — Increased sales are reflected in larger earnings for St. Lawrence Flour Mills Co. during the fiscal year ended August 31 last. During the 12 months the company operated its plant close to capacity and the volume of business was appreciably greater than in 1932.

Profits for the year total $115,-8244 compared with $107,838 and $90,266 in the two preceding years. After providing for senior charges and a substantial increase in depreciation reserve, the balance available on the common stock was equal to $1.99 a share. Dividends of $1.50 a share were paid during the year. This was the first distribution on the common stock since 192'.

Carried Forward Surplus

Particulars of the profit and loss account for the past three years follow:

	1932-33 $	1931-32 $	1930-31 $
Profits	115,824	107,838	90,266
Bond int.	4,349	4,688	4,823
Net income	111,475	103,150	85,443
Pfd. divid.	40,250	40,250	40,250
Balance	71,225	62,900	45,193
Taxes	9,655	9,296	6,656
Balance	61,570	53,604	38,537
Deprec.	37,726	24,863	13,000
Balance	23,844	28,741	25,537
Com. divds.	18,000	......	......
Balance	5,844	98,741	25,537
Prev. surp.	398,586	369,846	344,309
P. & L. bal.	*404,429	398,587	369,846

*Before providing for Federal and Provincial Income taxes for 1933 fiscal period.

WORKING CAPITAL POSITION

	1933 $	1932 $	1931 $
Curr. assets	799,596	787,119	760,338
Curr. liabs.	258,766	240,891	255,125
Work. cap.	540,830	546,228	505,213

Liabilities Are Unchanged

Examination of the balance sheet as at September 2, 1933, does not show any marked changes from that reported on August 31, 1932. Assets total $2,535,196 as against $2,688,815 a year ago.

Among liabilities, bank loans show practically no change at $220,000. The funded debt has been reduced by $2,500 to $72,000.

Detail Fixed Assets

A change has been made in the setting out of the company's fixed assets. Property is divided into two items—land and real estate other than milling property. The first is carried on the books at $123,359 and the latter at $25,613. Buildings and machinery are shown at $848,112, from which was deducted a reserve for depreciation of $207,709, leaving a net book value of $640,402.

Grain and Milling in Canada

OGILVIE FLOUR CO. ADDS TO STRENGTH LAST FISCAL YEAR

Balance Sheet Adjustments Made — Earnings Up Slightly

From Our Own Correspondent

MONTREAL. — Redemption of funded debt; heavy increase in inventories and bank loans; and maintenance of earnings on about the same basis as in the previous year are reported by Ogilvie Flour Mills Co. for the year ended August 31 last.

Three bond issues of the company, totalling $2,350,000 matured on June 1, 1932. These have all been redeemed with the exception of one $1,000 bond which has not yet been presented for redemption.

Bank Loans Greater

During the year, bank loans increased from $800,000 to $2,978,-673. This is reflected in an increase in inventory values from $546,063 to $3,252,762.

Profit for the past year, after deducting bond interest and full depreciation, amounted to $747,772, out of which was paid the usual dividends on the preferred and common stock leaving a balance of $7,-771. Earnings on the common stock were equivalent to $8.10 a share as against $8,07 a year ago.

Particulars of the profit and loss account for the past three years follow:

	1932-33	1931-32	1930-31
*Net profit	$747,771	$744,936	$755,148
Divids.	740,000	740,000	740,000
Surplus	7,771	4,936	15,148
Prev. surp.	2,171.784	3,172,298	3,157,149
P. and L.	2,179,555	3,177,234	3,172,298
Ern. on C.	8.10	8.06	8.20

* After deducting depreciation and income tax.

Working Capital Position

	1933 $	1932 $	1931 $
Cur. assets	11,215,618	9,411,600	11,574,109
Cur. liabs.	4,326,796	2,718,359	2,730,723
Wk. ap.	6,888,822	6,693,331	9,843,986

Inventories Are Larger

The balance sheet at the end of August, 1933, shows an increase in assets, largely due to the substantial advance in inventories. These total in value $16,006,353 compared with $15,395,594 a year ago.

Examination of the liabilities shows an increase in the bank loan already mentioned, and a reduction in accounts payable from $1,710,359 to $1,162,123.

Write Down Investments

The profit and loss account shows a reduction from $3,177,234 to $2,-179,556. This was due to the writing down of investments in affiliated companies by $1,005,450. While the position with respect to the company's investment in affiliated companies has not materially changed as compared with a year ago, the directors thought it advisable, in view of present conditions as affecting values of steamers, land, buildings, machinery, etc., to make substantial reductions in the book value thereof, and for this purpose, charged over $1,000,000 to the profit and loss account.

Investments Are Up

The principal change among current assets, affecting inventories, has already been mentioned. Investments are shown in the current report at $6,586,472. This sum is reported by the president to be substantially below market quotations and compares with the market value of $6,303,072 given to the company's investment portfolio at the end of August, 1932.

Comments on Year

In his comments upon the operations for the past twelve months, W. A. Black, president, had the following to say in part:

"The past year was another difficult one in all branches of the company's business, particularly so in Western Canada, where, owing to the lows prices prevailing, many farmers have been forced to have their wheat gristed at sundry small country mills, thus reducing the consumption of standard grades of flour and cereals.

"In spite of these conditions, our total sales at home and abroad showed an increase in volume, but the return on much of the business gave little or no profit.

"The earnings of our terminal elevator at the head of the Lakes were also affected adversely by (1) the exportation of large quantities of grain via the Pacific Coast which hitherto have moved via Fort William and Port Arthur; and (2) a reduction, forced upon us by the Government of one third of the regular storage charges, which remained in effect for some months and caused us considerable loss.

"Furthermore, like all others carrying a large amount of investments, we suffered a sharply reduced income return during the past year.

Pierce-Arrow Control Stays With Studebaker in Canada

Change in control of the Pierce-Arrow Co. in the United States will not affect the Pierce-Arrow Co. of Canada, D. R. Grossman, vice-president and general manager of the Canadian company stated recently.

Pierce-Arrow in the United States was recently transferred from the Studebaker Corp. to an independent group of bankers in New York and Buffalo.

C. P. and P. Bondholders Form Independent Board

From Our Own Correspondent

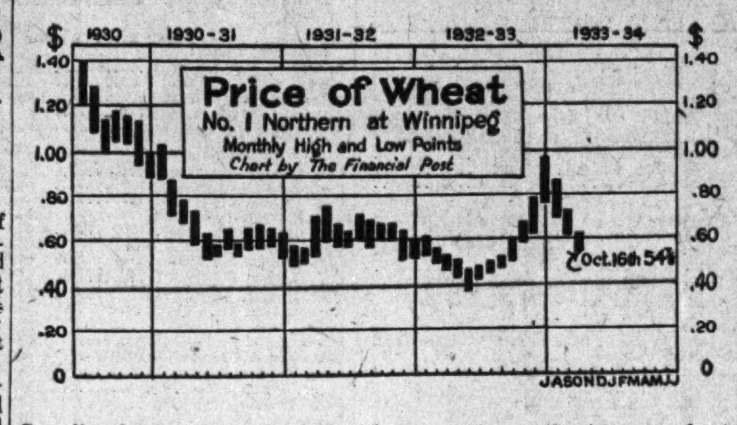
MONTREAL — An independent debenture holders' committee has been formed to investigate the affairs of Canadian Power and Paper Investments Ltd., which recently defaulted on its obligations. The committee comprises G. T. Creighton, W. F. Carsley, S. H. Carsley and W. Wright, all of Montreal.

Winnipeg Grain Prices

Week to October 17

Crop year from Aug. 1, 1933 High	Low		Open Oct. 11	High for week	Low for week	Close Oct. 17
		Wheat				
.89¼	.54⅜	October	.60	.60⅛	.54⅜	.57½
.88⅝	.54⅝	November	.60½	.60½	.54⅝	.57⅜
.90⅝	.54⅛	December	.60	.60	.54⅛	.57⅞
.95	.59¼	May	.64⅞	.65	.59¼	.62⅞
		Oats				
.45	.25¾	October	.27¾	.30	.25¾	.29¼
.45⅝	.26	December	.28½	.30¾	.26	.30¼
.48½	.29½	May	.31¼	.33¾	.29½	.33⅛
		Barley				
.55⅞	.28¼	October	.31	.32¾	.28¼	.32½
.56⅞	.29¼	December	.32⅝	.33¾	.29¼	.33¾
.59¾	.32½	May	.36	.37¾	.32½	.37½
		Flax				
1.60	1.12	October	1.27¼	1.27¼	1.13	1.24¼
1.68½	1.11	December	1.26	1.28	1.11	1.25½
1.71½	1.16	May	1.34	1.35	1.16	1.31
		Rye				
.62¾	.35¾	October	.42⅞	.44	.35¾	.40
.50½	.38½	November	..	.43⅝	.38½	.40⅛
.64½	.37⅛	December	.44	.45¼	.37⅛	.41⅛
.68½	.39½	May	.48	.49¼	.39½	.45⅝

Wheat Prices Come Tumbling



Canadian farmers have watched with dismay the steady slump in wheat prices which has taken place since July. This week's decline brought cash prices below the 55-cent mark for the first time since last April and indicate a slump of about 40 cents a bushel from the high point of last July.

Many Factors Responsible For Wheat Price Slump

Drastic Decline in U. S. Flour Consumption Considered Important — Faith in Acreage Cut Weakens

From Our Own Correspondent

WINNIPEG.—United States observers are seeking to account for the decline in grain markets of that country which has cut wheat prices one third.

One major factor, though foreseen, is proving of greater importance than had been anticipated, namely, a heavy decline in volume of wheat milled. Before the processing tax of 30 cents a bushel on wheat became fully effective there was a great deal of stocking up by flour consumers who planned to escape the effect of the tax. Even after it became effective a certain amount of buying continued on the part of consumers who saw wheat prices skyrocketing, who feared the effect of inflation, and who thought it might be a good idea to protect themselves.

Small bakeries, and also dealers in flour, caught the infection, and placed heavy orders for flour for future delivery. The result was that mills were running, if not overtime, at almost full capacity for a period.

Sales Now Lag

But flour sales fell off as soon as the effect of the tax began to appear in prices. Former eager purchasers began to cancel their flour orders or attempted to repudiate them. The mills were really prepared for a certain relaxation in buying, but it has gone much further than expected, and one reason is the provisions of the law which enable a wheat producer to have his own wheat milled without payment of tax.

Small local mills are doing a thriving business as farmers drive in with a load of wheat to be milled or to be exchanged for flour. Purchases of ordinary flour in communities where wheat is grown are drying up, and dealers declare that "bootleg flour" as it is called, is finding its way into the possession of many persons whom the law intended to be taxed. The larger mills have been lessening their grinding operations until they can see just how much this development is likely to affect their business.

Some observers also believe that domestic consumption of flour is decreasing sharply on account of the additional cost imposed by the tax and also by the N.R.A. Even though the tax theoretically represents only half a cent a pound on bread, the actual increases in bread prices have run from half a cent to a cent and a half.

Inflation Disappears

Another weakening situation is the disappearance of inflation as a wheat market factor. It is realized that inflation if it comes will not necessarily mean an increase in wheat prices, already well above world parity. Those who want to hedge themselves against inflation can find more attractive fields than the wheat market.

Less Faith in Acreage Cut

Then, too, there is somewhat less faith in the wheat acreage reduction programme than there was at first. True, farmers are reported to have signed contracts which in theory call for a reduction of 7,-000,000 acres from their former operations, while 9,000,000 acres would result the full reduction of 15 per cent in seeded acreage originally aimed at. But note is taken of the fact that a much larger earlier acreage is claimed than previous estimates had covered.

It is supposed that wheat farmers will make special efforts to seed the full acreage to which they would be entitled, in order to hold as favorable a position as possible in making future claims for compensation on further reduction. Moreover, reports are coming in of intentions of farmers who had not formerly grown wheat to seed some this year, either to take the place of cotton acreage abandoned or to put themselves in a position to share in future compensation.

May Abandon Position

Occasionally doubts are expressed as to the ability of the United States market to remain indefinitely above the export level. Fall wheat is being seeded now, and soil and cultivation conditions are considered to be poor, but there is something in the seeding season itself, as is found annually in Canada, which tends to make people look forward to another crop. Even if prices do remain far above export parity, there is always the possibility to be considered of imports of foreign wheat against the duty of 42 cents a bushel. Already considerable quantities of rye have been imported, not only from Canada and the Argentine, but also some actually shipped from European ports.

The weakness in corn has a depressing effect on wheat, as lessening the probability of large feeding of wheat to livestock. The corn decline has taken place in the face of what is regarded as a small prospective crop, and a total production of feed grains well below the country's average requirements for a year. But the market is in a poor technical position because large quantities of corn are in store in elevators, much more than is normally needed there, having been accumulated during the high price period when farmers were very glad to sell corn to the traders.

A psychological condition which must be allowed for is that interest has shifted from the grain market. For some time after the markets reopened, subsequent to the banking holiday of last March, interest in recovery from the depression and in the administration's programme was centred in grain, the feeling being that revival of prosperity must be originated with an increase in farmers' purchasing power. But the N.R.A. has focused attention rather on the industrial situation and upon the wage earner, and it is no longer an accepted gospel that revived prosperity can only come by way of the farm.

Lack of Export Market Closes Spillers' Mills

British Flour Milling Concern Can See No Prospect of Early Improvement—Reopen When Conditions Warrant is Report

From Our Own Correspondent

VANCOUVER.—Operations of the Spillers grain milling interests here and throughout Western Canada will be suspended indefinitely due to the uncertain condition of the grain and flour markets, according to J. A. Gilchrist, western manager of the company. Vancouver Milling & Grain Company, which was absorbed by Spillers some time ago, will close its mills here in a few weeks. The Calgary plant was closed two or three weeks ago. Activity will be resumed if business picks up in the near future.

"The company is not disposing of its interests in Western Canada, nor is it withdrawing from Canadian territory," said Mr. Gilchrist. "The company entered the Canadian field some years ago chiefly to engage in export business, and that is demoralized at present due to exchange conditions which have placed nearly all the Oriental business in the hands of Australia. Canada has actually lost about $5,000,000 in the flour export market."

No Improvement Indicated

Mr. Gilchrist said that Spillers had no outlet through bakeries or other consuming establishments, such as some other milling organizations had. The domestic situation had been unfavorable, with price cutting and unprofitable markets, and the prospect for early improvement was not considered definite enough to warrant continued operation.

In view of the decline in markets, Canadian milling capacity is far in excess of what it should be, in Mr. Gilchrist's opinion.

The experience of Spillers in Western Canada has been rather unfortunate. Its operations have never been highly profitable. Spillers Overseas, Ltd., a subsidary of the great British milling concern, came to Canada in the fall of 1924. It absorbed the Alberta Pacific Grain Company with its chain of 283 elevators; the Alberta Flour Mills, of Calgary, with capacity of 10,000 barrels of flour daily; the Vancouver Milling & Grain Company, and built a grain elevator here of a capacity of 2,000,000 bushels at a cost of $2,500,000. The company is said to have invested close to $7,000.000 in Western Canada.

Brought to B. C.

Solicitation of ex-Mayor R. H. Gale, of Vancouver, who aroused the interest of Sir William Edgar Nicholls, chairman of the Spillers Milling and Associated Industries of Great Britain. brought about the advent of Spillers to this coast.

New Plastic Fire Brick Being Marketed in West

From Our Own Correspondent

REGINA. — Dominion Fire Brick and Clay Products Limited, of Claybank, is now marketing under the trade name 'Defco" a plastic fire brick and a high temperature cement. The fire brick, put up in metal cans to keep it plastic, enables moulding of fire brick or block shapes during construction.

The cement is for bonding fire bricks in industrial furnaces and for all cement work where high temperatures are encountered.

Food Securities (Continued)

MUIRHEADS

Profit is Reduced But Financial Position is Unimpaired

Muirheads Cafeterias Ltd. operates three restaurants in Toronto. Earnings have suffered as a result of decrease in dollar volume of sales and more recently as a result of higher prices of raw materials without any corresponding increase in prices charged. Extensive competition between restaurants in Toronto has served to keep prices down and margin of profit has naturally been reduced. In the year ended February 28, 1933, Muirheads Cafeterias had net earnings of only $17,086 as compared with $47,591 in the preceding year. This was not sufficient to provide for depreciation and preferred dividends have not been paid since July 1, 1932.

The company has a good working capital position and current assets are largely liquid. Preferred stock has been steadily retired and there now remain less than 6,970 shares of $10 par value.

The company has maintained its clientèle throughout the two or three years and when prices of meals can be increased, the company stands to benefit from the good location of its restaurants and its sound financial position.

Capitalization—	Authorized	Outstanding
Pref. 7½% cum. (Par $10.)	$500,000	$69,700
Common n.p.v.	100,000 shs.	78,710 shs.

Dividend Record—
Preferred: entitled to 7½% per annum, payable March, July and Nov. 1; paid regularly from July, 1926, to July, 1932; passed Nov. 1, 1932; none since. Common: none at present; 50c. paid Nov. 1, 1927, 10c. Mar. 1, 1928; 20c. Mar. 1, 1929; 10c. July 1, and Nov. 1, 1929, Mar. 1, 1930; Mar. 1, 1931, and Mar. 1, 1932.

Head Office—Toronto.

Officers and Directors—
Officers—A. S. Tindale, pres. and gen. mgr.; H. M. Millar, sec.-treas.
Directors—Harold A. Greene, chairman; A. S. Tindale, E. G. McMillan, Stuart Playfair, H. M. Millar, Toronto.

Earnings per Share and Dividend Record:

Yr. End. Feb. 28:	1933	1932	1931
Pref.: Earned	nil	*$2.23	$1.95
Paid	$0.25	0.75	0.75
Com.: Earned†	nil	*0.14	0.12
Paid	nil	0.10	0.10

† After deducting amount required for redemption of preferred.
* Before adjustment of investments to market value.

Six Years Earnings—
Yr. End. Feb. 28:

Year	Earnings $	Dividends $	Surplus $
1928	19,003	47,457	39,164
1929	70,347	38,125	40,592
1930	50,330	29,874	12,179
1931	45,575	13,926	12,894
1932	47,591	13,667	8,446
1933	17,086	1,759	*6,067

* Deficit.

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Common	4	½	2	½	3¼	1½
Preferred	7	5	9	7	10	6

* To Oct. 12.

Broder Canning

Broder Canning Co. operates canning plants at New Westminster, Chilliwack, Edmonton, and Medicine Hat. The company was formed in 1917 to take over the Broder Canning Co., originally established in 1910. Head office of the company is at New Westminster, B.C. No dividends have been paid on the preferred stock since April 1, 1931.

The company packs peas, corn, tomatoes, and other vegetables under the trade name "Royal City." Expansion was rapid between 1928 and 1930 but later operations have not been as successful.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. Par $100.	$300,000	$150,000
Common Par $100.	350,000	192,900

Funded Debt— None.

Dividend Record—
Preferred—7 per cent per annum, cumulative, payable Jan., Apr., July and Oct. 1, none since Apr. 1, 1931.

Head Office—New Westminster, B.C.

Officers and Directors—
R. R. Broder, pres.; F. D. Mathers, gen. mgr.; V. F. Broder, sec.-treas.; H. C. Wade, asst. mgr.; C. W. Moore, sales mgr.

TRAYMORE, LTD.

Serves More Customers But Cash Receipts Lower Since 1930

Traymore, Ltd., like other major restaurant companies in Canada during the last three years, has been busily adjusting expenses, prices and methods to changing eating habits brought about by the depression. Especially in the last two years though the company reports an actual increase in customers served, the smaller size of the meal checks and the lower prices charged for food have together caused a considerable reduction in sales volume as measured in dollars.

Competition as regards prices and qualities of meals served has been keen both in Montreal and Toronto. The stock market shows that there is a disposition to believe that the immediate future is brighter for this company.

Traymore, Ltd., subsidiaries include Savarin, Ltd., and Kraus-mann's Lorraine Café, Ltd., and its main business is in Toronto and Montreal, the Montreal business having ben in most years the most profitable.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. Par $20.	$1,500,000	$520,700
Common N. p. v.	200,000 shs.	96,064 shs.

Funded Debt—
7 per cent collat. trust, conv. S. F. bonds, series A, due 1935, outstanding $148,800; series B, authorized $200,000; none issued

Dividend Record—
Preferred: entitled to 7 per cent cumulative: paid regularly quarterly from 1927 to July 15, 1931; none since. Common: $1 paid in 1928; none since.

Subsidiaries—
Savarin Ltd.: Wholly-owned subsidiary formed in 1929, to consolidate company's Savarin branches at Toronto and Oshawa. Oshawa branch closed Jan., 1930. Capitalization, 30,000 no par common shares, and $200,000, 7 per cent 5-year debentures; all held by parent company.
Krausmann's Lorraine Café Ltd.—Operated as branch of parent company. Capital stock entirely owned.

Head Office—Toronto.

Officers and Directors—
Officers—G. G. Plaxton, pres.; Wm. F. Croucher, gen. mgr.; Edward J. Swift, sec.
Directors—G. G. Plaxton, H. W. Stewart, J. A. Gairdner, O. A Doherty, Dr. R. G. Jackson, J. T. Adams, all of Toronto.

Earnings per Share and Div. Record:

	1931	1930	1929
Pref.: Earned	$1.48	$3.74	$2.86
Paid	1.05	1.40	§1.05
Common: Earned	‡0.02	0.60	‡0.34
None paid.			

‡After full year's dividend on preferred.
§Date of payment changed from 1st to 15th of month, and payment due Jan. 15 not deducted from previous year's earnings.

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Com.	2⅜	¾	¼	¼	1	1
Pref	5	½	2¼	2	12½	7

*To October 12.

CANADA TEA

Surplus Slightly Reduced After Paying Regular Preferred Dividend

Canada Tea Company deals in teas, coffees, spices, both wholesale and retail and operates branches at Peterborough, Hamilton, Brantford, Woodstock and London. The company did not pay full preferred dividends until 1929 but since that year payments have been made regularly and arrears have been substantially reduced.

In the fiscal year ended June 3, 1933, the company improved working capital position and shows current assets of $270,877 against current liabilities of $22,307. After paying preferred dividends, surplus was down to $205,839 from $206,-036.

Capitalization—	Authorized	Issued
Pref. 7% cum.	$ 500,000	$175,000
Common Par $100.	1,000,000	333,000

Thirty-six preferred and eighteen common shares are held in trust for the company.

Dividend Record—
Preferred—7 per cent per annum, cumulative, payable 1st Jan., Apr., July and Oct. No dividends paid 1922-1924; 1925, 2% paid; 1926, 5%; 1927, 3%; 1928, 5%; 1929, 9%; 1930, 1931 and 1932, 10%. As at June 3, 1933, dividends were 39% in arrears.
Common—None since 1913.

Head Office—Toronto.

Officers and Directors—
Officers—C. J. Scandrett, pres. & man dir.; J. H. Scandrett, vice-pres.; J. Hobson, sec. and treas., Toronto.
Directors—C. J. Scandrett, C. T. Stark, J. Hobson, J. H. Scandrett, S. B. Playfair, Toronto.

ST. LAWRENCE FLOUR

Sales and Income Score Improvement for Past Year

St. Lawrence Flour Mills has concluded another successful year, with sales up 23 per cent to 875,000 barrels and an appreciable improvement in earnings. The company has been able to keep its plant operating at capacity since last May and at present there is sufficient business on the books to keep the mill going full time until the end of the year.

The improvement in operations is attributed to a better demand from the United Kingdom and European markets. Domestic trade also has been satisfactory. Prices have been fairly good, though room for betterment exists in the domestic market.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. ($100 par.)	$600,000	$575,000
Com. $100 par)	1,200,000	1,200,000

Preferred is non-callable; has equal voting rights with common.

Funded Debt—
6 per cent first mortgage sinking fund bonds, due 1941. Outstanding $74,500.

Dividend Record—
Preferred—7 per cent per annum, cumulative, payable quarterly Feb., May, Aug. and Nov. 1. Paid regularly since 1914.
Common—$1.50 per annum, payable quarterly, Feb., May, Aug. and Nov. 1. Initial dividend of 37½c. paid Nov. 1, 1932.

Head Office—1110 Notre Dame St. W., Montreal.

Officers and Directors—
Officers—D. A. Campbell, pres.; T. Williamson, vice-pres. and man. dir.; D. M. Wilson, sec.; D. S. Thornton, treas.
Directors—C. E. Gravel, T. Williamson, J. Henri Labelle, J. J. McGill, C. H. Branchaud, G. W. Grier, Montreal; D. A. Campbell, Toronto.

Times Bond Int. Earned—

	1932	1931	1930
Before deprec.	23.00	18.71	21.61
After deprec.	17.70	16.01	18.93

Earn. per Share—

Pref.: Earn.	$12.00	$11.27	$13.48
Paid	7.00	7.00	7.00
Com.: Earn.	2.40	2.12	3.11
None paid.			

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1926	54,554	40,250	158,825
1927	90,126	40,250	187,282
1928	109,017	40,250	232,560
1929	139,726	40,250	307,035
1930	105,017	40,250	344,309
1931	90,266	40,250	369,846
1932	107,838	40,250	398,587

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Common	56	15	30	9	20	16
Pref.	100	92	99½	70	85	82

* To October 11.

Holsum Packing

Holsum Packing Co., with head office at Victoria, B.C., manufactures jams, jellies, pickles, sauces and has facilities for canning fruits and vegetables. The company has paid no dividends on preferred stock since November, 1929, but has paid off mortgage on the plant. Total assets of the company are approximately $50,000.

Capitalization—	Authorized	Issued
Pref. 7% cum. Par $10.	$50,000	$18,680
Common Par $1.	50,000	23,269

Dividend Record—
Preferred—Entitled to 7 per cent cumulative, payable June and Dec. 15; in arrears since Nov., 1929.

Officers and Directors—
J. E. Sladen, pres.; A. H. Alexander, mgr. and sec.; H Beach, I. M. Nodek, L. Batchelor, Victoria; R. S. Twining, Gordon Head, B.C.; E. Livesey, Sidney, B.C.

Head Office—Victoria, B.C.

Texas Ill Wind Blows Business To B. C. Mills

From Our Own Correspondent

VANCOUVER. — Bad news is sometimes good news to the shingle industry of British Columbia.

For instance, when hurricanes razed hundreds of houses in Texas and other Gulf states recently, it was found that buildings roofed with red cedar shingles had withstood the storm's violence much better than those constructed of cheap patent roofing materials.

The result of this has been that casualty insurance companies have declined to extend insurance protection for houses built of inferior roofing materials. Red cedar shingles, it is said, are given preferential treatment in rates and there has been an increased demand for them in the southern states in recent weeks.

The shingle industry in British Columbia is operating, according to the N.R.A. code, as about 85 per cent of its output is marketed in the United States and it was necessary to conform with American mill conditions in order to retain this business.

St. Lawrence Flour Mills Co. Limited
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D. A. CAMPBELL, President.
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COAST BREWERIES ENTERS U. S. FIELD

Earnings Improvement is Hoped for to Cover Dividends Now Being Paid

From Our Own Correspondent

VANCOUVER.—Coast Breweries, Ltd., has actively entered the United States field and, with export trade steadily improving, the outlook is decidedly favorable, according to Robert Fiddes, managing director, in a letter to shareholders.

"Notwithstanding the decline in business for the first period of the last financial year, your directors have been able to pay a regular dividend, not entirely from the earnings during that period, but partly from the surplus which has accrued in former years," stated Mr. Fiddes. "We now hope that, if conditions continue to improve, we will soon be able to increase our dividend to the original amount of 46 cents per share."

Regarding the expansion of the company's activities, Mr. Fiddes reports that two projects have been undertaken in the United States, one at Vancouver, Wash., and the other at San Francisco, and he believes that by this expansion the company will be able to increase its earning power.

"We believe we are now on the up grade for a continuance of better business," writes Mr. Fiddes, adding that introduction at the first of May of a better system of distributing bottled beer, whereby the public is now permitted to order beer by telephone and beer parlor owners are able to sell bottled beer, has resulted in a steadily mounting business.

Market Sags Heavily for Musical Instruments

Twenty factories manufacturing musical instruments had a total output valued at $2,561,125 in 1932. Fifteen of these factories are located in Ontario, four in Quebec and one in British Columbia.

The output of the musical instruments industry has been decreasing steadily during the past few years, the output of pianos, phonographs and phonograph records becoming smaller and smaller. The main product of this industry, viz., the radio, is now produced in the electrical apparatus industry.

Imports of musical instruments in 1932 were valued at $407,032 as compared with imports valued at $800,525 in 1931, while exports were valued at $57,315 in 1932 and $206,076 in 1931.

There were 338 upright pianos manufactured in 1932 compared with 2,153 in 1931, 179 grand pianos compared with 497, 32 pipe organs compared with 63 and 77 reed organs compared with 161. There were 945,876 phonograph records manufactured as against 1,529,681 in 1931.

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A New Companies Act is Needed
The opinion is that of
George A. Drew, K.C.
Chairman of the Ontario Securities Commission
His reasons are set forth in a logically-written article
A NEW DEAL FOR THE SHAREHOLDER
in
October 15th
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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING OCTOBER 16

Range 1933 High	Low	Divd. Rate in $	Yield in % Oct. 14		Sales	Close Oct. 9 (or last)	Week Ending —Oct. 16— High	Low	Close
				A					
4.00	.25	.	...	Abitibi	2920	1.20	1.30	1.00	1.00
10	1	.	...	Do. pref. 6%	370	6	6½	5½	6¼
x80	80	.	...	Acme F. D'y p	....	..	..	..	..
8	4	.	...	Agnew Surp.	24	7	6	6	6
67	57½	7	11.3	Do. pref.	....	62	..	..	..
10	3½	.	...	Alta. Pac. Gr.	25	5½	3½	3½	3½
40	19½	.	...	Do. pref.	....	20	..	..	..
1	1	.	...	Amal. Electric	25	..	1	1	1
10	3	.	...	Do. pref.	30	10	10	10	10
x3½	3½	.	...	Anglo. N. Hold.	....	..	..	..	..
1.00	.15	.	...	Asbestos	....	1.00	..	..	..
1½	½	.	...	Do. pref.	25	1½	1½	1½	1½
15	3½	.	...	Assoc. Brew.	275	12	12	11	11
85	65	7	8.5	Do. pref.	10	81	82	82	82
x3	3	.	...	Assoc. Can.	....	..	..	..	..
†69	65	.	...	Assoc. Tele.	....	..	..	..	..
				B					
155	127	10	6.9	Bk. Can. Nat.	42	145½	145½	144	144
221	150	8	4	Bk. Montreal	300	190	197	190	192
285	228	12	4.3	Bk. N. Scotia	48	280	280	277½	277½
215	151	10	5.2	Bk. Toronto	30	195	191	185	185
17	10	.	...	Barcelona	....	17	..	..	..
8	1	.	...	Bathurst Pr.	70	4½	4	3½	4
[illegible]									
108	80	7	6.7	Do. pref.	35	105½	105½	100	105
†93½	93½	.	...	Gould Pumps, p.	....	..	..	..	..
3	½	.	...	Gt. W. Saddlery	....	1½	..	..	..
15	5	.	...	Do. pref.	25	12½	12½	12½	12½
16½	4	.	...	Gurd, Chas.	185	6	6	6	6
100	100	7	7	Do. pref.	....	100	..	..	..
7½	1½	.	...	Gypsum, Lime.	1110	3½	3½	3	3½
				H					
12	2½	.	...	Ham. Bridge	180	7½	7½	6	6
40	34	.	...	Do. pref.	....	34	..	..	..
13½	4	.	...	Ham. Cot. pf.	....	12	..	..	..
5	1½	.	...	Ham. U. Theat.	....	2	..	..	..
60	46	7	...	Do. pref.	....	60	..	..	..
‡50	50	.	...	Hillcrest Coll.	....	..	..	..	..
‡91	91	.	...	Do. pref.	....	..	..	..	..
8	2	.	...	Hinde & Dauch	300	5½	6	6	6
†75	75	.	...	Holt Renfrew	....	..	..	..	..
‡96½	90	.	...	Do. pref.	....	..	..	..	..
3½	½	.	...	Honey Dew	100	1	.95	.85	.85
17	5	.	...	Do. pref.	85	7	9	8½	9
9½	1½	.	...	H. Smith Pap.	105	6½	6½	5½	5½
40½	8	.	...	Do. pref.	15	37	37	37	37
25	14½	2	8	Humberstone S	25	25	25	25	25
14	4½	50c	4.5	Hunt (A)	....	11	..	..	..
10	5	50c	5.6	Do. (B)	....	8½	..	..	..

Range 1933 High	Low	Divd. Rate in $	Yield in % Oct. 14		Sales	Close Oct. 9 (or last)	Week Ending —Oct. 16— High	Low	Close
102	77	6	6.9	Huron & E. M.	....	87	..	..	..
18	12½	.	...	Do. 20% pd.	....	15½	..	..	..
10	6	.	...	Hydro-Electric	....	10	..	..	..
				I					
185	123	10	6.8	Imperial Bank	55	159	159	145	145
16	7½	50c	4	Imperial Oil	21104	13½	13½	10¾	11½
11½	7	35c*	3.2	Imperial Tob.	844	11	11	10¾	11
17	17	.	...	Int. City Bak.	....	17	..	..	..
†80	80	3	...	Inter. Coal, p.	....	..	..	..	..
b13½	2½	.	...	Int. Hyd. E. A.	3010	5½	7½	5½	5½
105	98	7	7.1	Inter. Mill. pf.	....	99	..	..	..
90	82	6	7.3	Do. Series A.	20	82	82	82	82
23.25	8.00	.	...	Inter. Nickel	53800	20.10	20.30	17.60	18.00
x4	4	.	...	Inter. Paints	....	..	..	..	..
b10	½	.	...	Int. P. & P. A	800	5	5	4	4
b5½	½	.	...	Do. (B)	300	2½	2½	2½	2½
b4	½	.	...	Do. (C)	3710	1½	1½	1½	1½
b22½	2	.	...	Do. pref.	4206	10½	11½	8	8
20½	10½	1	5.3	Inter. Pete.	4829	20	19½	18	18
5	2½	.	...	Inter. Power	....	2½	..	..	..
24	8	.	...	Do. pref.	10	18½	17	17	17
13½	5	.	...	Int. Util. (A)	35	6	5	5	5
4½	1	.	...	Do. (B)	....	1	..	..	..
				J					
[illegible]									
18½	9½	1	6.2	Do. pref.	8232	15½	16½	15½	15½
8	1½	.	...	Waterloo Mfg.	15	2½	2½	2½	2½
x80	75	7	...	W. Koot. Pr. p	....	..	..	..	..
18	4	.	...	West. C. Flour	90	9½	9½	9½	9½
70	45	3	5.9	Do. pref.	15	47½	50½	50	50
25	8	.	...	West. Grocers	100	24	25	24½	24½
85	54	7	8.2	Do. pref.	....	85	..	..	..
†91	85	.	...	W. Steel Pr. p	....	..	..	..	..
59½	16½	1	1.8	Weston Ltd.	250	56½	56½	52	52
89	67	7	7.9	Do. pref.	15	87½	89	89	89
5	3½	.	...	Whittall Can	....	3½	..	..	..
50	30	6.50	..	Do. pref.	10	40	35	35	35
5	3	.	...	Windsor Hotel	....	3	..	..	..
12	5	.	...	Do. pref.	15	5	5	5	5
5½	1	.	...	Winnipeg Elec.	470	2½	2½	2	2
10½	3½	.	...	Do. pref.	....	5	..	..	..
18	7	.	...	Woods Mfg. p.	....	18	..	..	..
				Z					
1½	1½	.	...	Zimmerknit, c.	....	1½	..	..	..

x Quotations for 1932. No sales recorded in 1933 to date.
† Quotations for 1931.
‡ Quotations for 1930.
b New York Quotations.
* Stock dividend.
* Plus final dividend of 17½c. paid Mar. 31.
* See "Unlisted Stocks" also.
§ On arrears.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
October 17, 1933

	Bid October 17	Asked October 17	Bid Oct. 10
Industrial Bonds:			
Abitibi P. & P. 5% 1953	24.00	25.50	24.00
Acadia Sugar 6% 1946	91.50	93.00	91.00
Albert Bay 6½% 1942	48.00	....	48.00
Alta. Pacific Grain 6% 1946	71.50	73.50	67.00
American Sales Book 6% 1939	99.00	....	97.50
B. A. Oil 5% 1945	98.50	99.50	98.50
Can. Biscuit 6½% 1946	....	21.50	....
Can. Bread 6% 1941	95.00	96.50	94.50
Can. Cement 5½% 1947	74.00	75.00	72.50
Can. Steamships 6% 1941	17.50	18.50	17.00
Can. Canners 6% 1950	97.00	99.00	97.00
Can. Copper Refin. 6% 1945	104.00	105.50	104.00
Can. Cottons 5% 1940	90.00	93.00	90.00
Can. Vickers 6% 1947	44.00	46.00	42.00
Cons. Invest. 4½% 1959	55.00	58.00	55.00
Cosmos Imp. Mills 6½% 1944	85.00	....	85.00
Davies, Wm. 6% 1942	97.50	100.00	97.00
Debenture & Sec. 4% 1936	66.00	....	66.00
Dom. Tar & Chemical 6% 1949	65.00	68.00	65.00
Dom. Telegraph 5½% 1978 A	94.75	97.00	94.75
Dom. Textile 6% 1949	104.25	106.00	104.25
Dom. Woollens 6% 1948	22.00	25.00	22.00
Donnacona Paper 5½% 1948	28.00	30.00	28.00
Eaton Realty 5% 1949	90.25	92.00	90.25
Famous Players 6% 1948	74.00	75.00	74.00
Federal Grain 6% 1949	67.00	70.00	67.00
Firestone Tire 7% 1937	105.00	108.00	105.00
Fraser Cos. 6% 1932	30.00	32.50	30.00
Fraser Cos. 6% 1950	30.00	....	30.00
Galt Brass 7½% 1941	15.25	20.00	15.25
General Steel Wares 6% 1952	58.00	61.00	58.00
Goodyear Cotton 6% 1949	103.00	104.00	102.00
Great Lakes Paper 6% 1950	23.00	24.00	23.00
Gypsum, Lime & Alab. 5½% 1948	48.00	50.00	48.00
Harris Abattoir 6% 1947	100.00	103.00	100.00
Howard Smith 5½% 1953	72.00	75.00	72.00
Lake St. John 6½% 1947	34.00	35.00	33.50
Loew's Toronto 6% Serial	98.00	....	98.00
Maple Leaf Milling 5½% 1949	45.00	50.00	43.50
Massey-Harris 5% 1947	58.00	60.00	58.00
McColl-Frontenac 6% 1949	95.50	97.00	97.50
McKinnon Industries 6½% 1945	96.00	....	96.00
Mercury Mills 5½% 1953	50.00	....	49.50
Metropolitan Bldg. 7% 1944	82.00	....	82.00
Northern Ontario Bldg. 6½% 1939	65.00	70.00	65.00
Price Bros. 6% 1943	66.00	69.00	61.00
Richmond Bay 6½% 1947	60.00	65.00	60.00
Simpsons Ltd. 5½% 1949	70.00	73.00	70.00
Simpsons Ltd. 6% 1949	76.00	78.50	75.00
Steel of Canada 6% 1940	104.00	105.50	104.00
Stop & Shop 6% 1947	68.00	70.00	67.00
Toronto Carpet 6% 1944	82.00	....	82.00
United Gas & Fuel 5½% 1948	69.00	72.00	74.50
United Grain Growers 5% 1948	73.50	77.00	73.50
United Grain Growers 5½% 1949	78.00	81.00	77.00
Wabasso Cotton 7% 1942	72.00	76.00	72.00
Western Grain 6% 1949	68.00	....	67.00
Public Utility Bonds:			
Bell Telephone 5% 1955	105.00	106.00	103.00
Bell Telephone 5% 1957	105.00	106.00	103.00
B. C. Power 5½% 1960	90.00	92.00	88.00
B. C. Telephone 5% 1960	93.00	94.50	92.50
Calgary Power 5% 1960	82.50	84.00	80.50
Can. Northern Pwr. 5% 1953	....	76.50	75.00
Duke-Price Pwr. 6% 1966	76.50	78.00	75.00
French Nat'l Mail S.S. 6% 1952	130.00	....	130.00
Gatineau Pwr. 6% 1941 A	70.00	71.00	69.00
Gatineau Pwr. 5% 1956	76.00	77.00	76.75
Maclaren-Quebec 5½% 1961	80.25	81.50	80.25
Manitoba Power 5½% 1951	25.50	28.00	25.50
Montreal Isl. Pwr. 5½% 1957	96.50	97.50	96.50
Montreal LH&P 5% 1951	104.00	106.00	104.00
Montreal LH&P 5% 1970	103.50	106.00	103.50
Montreal Tram 5% 1941 July	96.00	98.50	95.50
Montreal Tram 5% 1955	73.50	76.50	74.00
Northwest Utilities 7% 1938	96.00	98.50	96.00
Ottawa Valley Pwr. 5½% 1970	98.50	100.50	98.50
Quebec Power 5% 1968	89.25	90.25	88.50
Rio Tramways 5% 1935	99.00	101.00	99.00
Shawinigan W. & P. 4½% 1970	73.00	74.50	72.75
Shawinigan W. & P. 5% 1970	82.50	83.50	83.50
Shawinigan W. & P. 6% 1967	94.50	95.50	94.50
Southern Can. Pwr. 5% 1955	99.50	101.00	99.50
West Kootenay Pwr. 5% 1956	97.00	98.50	97.00
Government, Provincial & Railway:			
C. N. R. 4½% 1951 Dom. Gtd.	101.25	102.00	101.25
C. N. R. 4½% 1957 Dom. Gtd.	100.00	101.75	100.00
C. N. R. 5% 1969 Dom. Gtd.	105.00	106.00	105.00
C. P. R. 4½% 1944	71.00	73.00	71.00
C. P. R. 6% 1942	104.00	....	104.00
Dom. of Can. 5% 1936	102.00	102.50	102.00
Dom. of Can. 5% 1941	103.75	104.25	103.75
G. T. P. 3% 1962 Dom. Gtd.	81.25	82.25	81.25
G. T. P. 4% 1962 Dom. Gtd.	94.75	96.00	94.75
Ont. Hydro 3½% 1952 Ont. Gtd.	91.25	92.50	91.25
Ont. Hydro 4¾% 1970 Ont. Gtd.	100.00	102.00	100.00
Ont. Hydro 4% 1957 Ont. Gtd.	92.00	93.00	92.00
Prov. of N. B. 5½% 1952	104.00	105.00	104.00
Prov. of Ont. 5½% 1946	107.75	108.25	107.75
Prov. of Ont. 5% 1948	103.75	104.50	103.75
Prov. of Ont. 4½% 1944	102.25	104.00	102.25

Listed Bond Quotations

Week Ending October 16, 1933

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1933 High	Low
Abitibi, 1st mtge.§	5	1953	...	24	...	...	18	13
Asbestos	5	1942	...	32	...	...	*65½	49
Can. Cons. Rub.	6	1946	...	...	...	...	62	...
Can. Cottons	5	1940	3.11	...	...	...	84½	...
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Pr. (Laur.)	5½	1958	...	4	...	...	5	3
Do., (Way. Ser.)	5½	1958	...	4	...	...	*28½	5½
Can. S.S. Debs.	5	1943	...	...	...	...	*83½	...
Cedars Rapids	5	1953	...	...	...	...	108	108
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	...	...	...	37	...
McNish	6	1948	...	2.75	...	...	3.00	1.00
Mex. L. & Pr.	5	1940	...	†59	...	...	*73½	70½
Mtl. L.H.&Pr. debs.	3	1939	...	44	45½	44	47½	39½
Mont. Tr. 1st mtg.§	5	1941	5.57	96	...	...	98½	95½
Mont. Trams. A§	5	1955	7.22	...	75½	75	81½	58
Do., G & Ref. B	5	1955	7.44	...	...	...	74½	73½
Do., C	4½	1955	9.03	...	...	...	57	57
Do., D	5	1955	6.86	...	...	...	77½	76½
N. S. Steel	5	1959	...	...	...	...	*62½	58
Ontario Steel	6	1943	7.4	87½	...	...	90	80
Porto R. Pr.	5	1936	...	...	...	...	*93	88
Steel of Canada§	6	1940	...	103½	...	...	*102½	100
Wayagamack	6	1951	...	...	...	...	*75	45
Winnipeg Elec.§	5	1935	...	75	75½	...	79	75
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Canada	6	1940	...	...	...	...	*101½	...
Dominion Govt. Bonds (Montreal)								
Victory Loan	5½	1933	...	100.00	....	....	116.25	107.00
War Loan§	5	1937	...	107.25	....	....	100.75	100.00
Do.	5½	1934	3.77	101.60	....	....	102.60	101.15
Do.	5½	1937	3.17	108.50	....	....	110.25	109.25
Do., refund	4½	1940	4.31	101.00	....	....	101.25	99.70
Do., refund	5	1943	4.49	103.50	....	....	104.90	101.85
Do., refund	4½	1944	4.43	100.25	....	....	100.50	98.75
Do., refund	4½	1946	4.43	100.25	....	....	*92.25	91.50
Do., renewal	4	1952	4.35	94.75	....	....	95.25	91.63
Conversion Loan	4½	1956	4.45	99.75	....	....	100.70	97.00
Do.	4½	1957	4.46	99.75	....	....	99.00	96.00
Do.	4½	1958	4.50	99.75	....	....	100.50	97.75
Do.	4½	1959	4.50	100.65	....	....	108.87	97.50
Nat. Service Loan	5	1936	3.95	102.60	....	....	103.25	101.50
Do.	5	1941	4.43	103.25	....	....	103.75	100.75
Dom. Loan	4	1935	3.82	100.15	....	....	99.75	99.75
Unlisted:								
Cons. Paper	5½	1961	...	....	12	....	....	....

†Latest ask. ‡Quotations for 1930. *For 1931. *For 1932. None recorded in 1933 to date. §Payable in Canada and New York.

Unlisted Mining Stocks

October 17, 1933

	Bid	Ask
Abana	.02	.05
Adanac G. Un.	75.00	125.00
Alschbach Gold	.04	.05
Athadome	..	.12
Arntfield Gold	.65	.85
Arntfield Synd.	.50	.70
Astoria Rouyn	.02½	.04½
Bathurst	.02	.03½
Beattie	1.35	1.43
Bidgood	.01½	.02
Brubaker Units	..	300.00
Buff. Onkerite	1.04	1.12
Bussieres Min.	.25	.40
Can. Pandora	.20	.28
Can. Radium	.06	.09
Canusa Gold	.01	.03
Cochenour-Wil. Units	15.00	20.00
Continental Gas.	..	.12
Continental Kirk.	.04	.06
Crown Reserve	.01	.02½
Delta	40.00	70.00
Dentonia Mines	.20	.25
Dorval Siscoe Units	10.00	15.00
Dunkin	.01	.02
Dunlop Cons.	.04	.05
Eagle Oil	1.20	1.30
East Rouyn	..	.18
Echo Bay Explor	.25	.35
Elbow Lake-Shore Un.	..	50.00
Fairmac Un.	..	10.00
Flintoba	..	.01
Galatea Units	20.00	40.00
Glenora Gold	.25	.35
God's Lake	.58	.64
Gr. Bear Lake	.30	.35
Greene Stabell	.50	.55
Herbin Lake Un.	..	25.00
Holytrex	.01	.01¾
Horseshoe	.10	.14
Island Lake	.10	.15
Kenty Gold	1.42	1.45
Kirk. Divide	.20	.25
Kirk. Gold	..	.25
Lake Geneva	.18	.23
Lake Malartic	..	1.10
Little Long Lac.	.67½	.68
McCarthy Webb.	.09½	.11½
McChesney Moss Un.	20.00	35.00
MacKenzie Red Lake	.45	.49
Man. & Eastern.	.03	.04
Maple Leaf M.	.22	.26
Matachewan Can.	.09	.11
Mecca Gold	.20	.23
Metals Develop.	.03	.05½
Minaker Kirk.	.33	..
Mindoka	.01½	.03½
Minefinders	1.00	..
Mirand Gold	..	.33
Montreal-Alb. Petroleum	.38	..
N.A.M.E. Units	4.00	7.00
Normetal Min.	.50	.75
Northl'd Pros.	500.00	600.00
N'W Que. Pros.	15.00	25.00
Opemiska Copper	.03	..
Oro Grande Dev.	.45	.60
Pandora	.24	.29
Peninsular Pet.	.00½	.01¼
Pontiac Rouyn	.38	.42
Quebec Pros.	2.00	..
Queen Lebel	..	.03
Rubec Mines	.01½	.03
Silveradium Un.	75.00	..
Smelter Gold	.25	.28
Sourdough Un.	5.00	..
South Tiblemont Units	52.00	55.00
Sun Bear	.27	.32
Sunorca Explor.	1.15	1.25
Swayze Contact	.13	.15
Tiblemont Island	.12	.15
Tom Montgomery Un.	..	150.00
Trusted Inv. Syn. Un.	16.00	17.50
Tyrrell Tp. McN.	..	40.00
West McWatters Units	..	15.00
Young Davidson	.17	.22

The above table is made up from quotation sheets of several brokers. The Financial Post does not guarantee the quotations but can supply any subscriber with the name of the broker from whose sheet any particular quotation was taken.

Winnipeg Stock Exchange

Stocks Not Traded in During Week*

	Bid	Ask
Beaver Lumb. pref.	64	65
Beaver Fire	..	100
City Dairy 8% pf.	..	40
Cres. Creamery pf.	..	20
Great-West Life	310	..
Monarch Life 10% pd.	17	..
Northern Trust	15	20
Pelissiers, pref.	20	..
Reliance Grain pfd.	..	40
Sovereign Life	..	20
Can. Amer. Tr. shs.	..	3½
Fundamental Ser. A	..	4½
Fundamental Ser. B	..	3½
Group. Income Shs.	..	4.35

*Stocks more active on other exchanges not included.

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto
October 17, 1933

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	1.15	1.55
Acadia Sugar 6% pfd.	3.90	4.50
Acme Farmers Dairy 7% pfd.	....	38.00
Agnew Surpass 7% pfd.	62.50	68.00
Allens London 7% pfd. bonus c.	34.00	....
Allens St. Cath. 7% pfd. bonus c.	34.00	....
Allens Toronto 7% pfd. bonus c.	20.00	....
Andian Nat. U.S. Funds	25.00	27.50
Atlantic Sugar "A" pfd.	82.00	....
B.C. Pulp & Paper pfd.	7.00	....
Canada & Dom. Sugar	32.50	35.50
Canada Mach. c.	3.60	5.50
Canada Mach. pf.	20.00	....
Canada Pack. pfd.	100.00	103.50
Canada Pack. c.	36.50	39.50
Canada Starch 7% pfd.	72.00	....
Canada Starch c.	4.00	....
Canada Tea 7% pfd.	45.00	57.00
Canada Wire & Cable 6½% pfd. W.W.	64.00	68.00
Can. Industries c. "A"	104.50	....
Can. Industries c. "B"	104.50	109.00
Can. Industries 7% pfd.	120.50	124.00
Can. Westing.	43.50	47.50
Chase, A. W., pfd. bonus c.	12.00	16.00
Claude Neon Gen. Adv. Units	4.25	6.00
Dom. Foundries & Steel 8% pfd.	45.00	52.00
Dom. Foundries & Steel c.	4.75	6.25
Dom. Mfrs. 7% pfd.	....	60.00
Dunlop Tire 7% pfd.	55.00	60.00
Eastern Dairies Ltd. 7% pfd.	....	25.50
Edmonton Stock-yards Units	....	50.50
Federal Grain 6½% pfd.	24.00	28.00
A. J. Freiman pfd.	46.00	53.00
General Steel Wares pfd.	12.50	15.00
Goderich Elevator & Transit	4.25	5.25
Greening Wire 7% pfd.	49.00	54.00
Guelph Carpet 6½% pfd. bonus	65.50	71.00
Guelph Carpet c.	6.25	....
Inter City Baking com.	16.50	18.50
Inter. Proprietaries "A"	31.00	32.50
Loew's London c.	.25	.75
Loew's Lond. pfd.	3.10	4.25
Loew's Toronto * 7% pfd.	60.50	66.00
Mansfield Theatres pfd.	15.00	....
Massey Harris 5% pfd.	13.00	15.50
Medical Arts pfd. bonus c.	95.00	....
Mount Royal Hotel com.	.40	.70
Mount Royal Hotel 6% pfd.	3.00	....
Nat. Grocers c.	1.50	2.00
Nat. Grocers 7% pfd.	90.00	95.00
Ont. Silknit pfd.	30.50	40.00
Par. Kitchener pf.	31.50	....
Para Oshawa c.	2.25	....
Para. Oshawa pfd.	32.00	....
Provincial Paper 7% pfd.	64.00	....
Reliance Grain 6½% pfd.	41.00	45.50
Rolland Paper 6% pfd. W.W.	44.00	50.00
Serv. Stations "A" pfd.	25.00	30.00
Standard Clay Products c.	....	15.50
Standard Fuel 6½% pfd. bonus	68.00	....
Supersilk pfd. bonus	30.00	....
Supertest Petroleum "B" pfd.	21.00	....
Toronto Elevators 7% pfd.	85.00	....
Toronto Housing c.	....	19.00
United Corpns. Ltd. "A"	5.10	....
United Corpns. Ltd. "B"	1.65	....
Un. Grain Grow.	9.25	12.00

Ind. Stocks cont'd	Bid	Asked
Western Grain 6½% pfd. bonus	18.50	18.00
Western Grocers pfd.	84.50	90.00
Wood, Alex. & James pfd.	16.50	21.00
Insurance Stocks:		
Br. Amer. Assce.	23.50	....
Canada Life Ass.	421.00	....
Can. Fire Ins.	55.50	60.00
Confederation Life 20% pd.	125.50	....
Continental Life 20% pd.	40.00	50.00
Crown Life Ins.	94.00	....
Dom. Fire Ins.	85.50	....
Dom. Life 50% pd.	156.00	....
Dom. of Can. Gen. Ins.	100.00	110.00
Empire Life 25% pd.	9.25	12.00
Excelsior Life 30% pd.	75.50	....
Federal Fire 25% pd.	37.50	....
Fidelity Ins. Co.	48.00	....
Great West Life Assce.	325.00	350.00
Guar. Co. of N.A. fully paid	....	250.00
Guar. Co. of N.A. 20% pd.	....	50.00
Imperial Life	280.50	....
Mfrs. Life Ins.	....	255.00
Monarch Life 10% pd.	22.25	26.00
National Life 25% pd.	55.00	65.00
Saskatchewan Life 10% pd.	8.00	12.00
Sovereign Life 25% pd.	20.50	24.00
Sun Life Assur.	385.00	415.00
Western Assur. c.	15.00	18.00
Western Life 20% pd.	7.00	11.00
Trust & Loan Stocks:		
Br. Mtg. & Trust	130.00	145.00
Can. Gen. Investments Ltd.	4.90	5.20
Can. Investors Corp.	5.15	7.00
Chartered Trust	61.00	....
Debenture & Sec. com.	5.75	....
Debenture & Sec. 5% pfd.	18.00	....
Dom. & Anglo Invest. Units	185.50	....
Dom. Scottish Inv. Units	17.50	22.50
Eastern Can. Sav. & Loan	112.00	115.50
Eastern Trust	137.00	143.00
Guelph & Ont. Inv. par $50	45.00	51.00
Investment Foundation Units	29.00	32.50
Lambton Loan & Savings	50.00	56.00
London & Western Trust	45.00	50.00
Security Loan & Savings	95.00	....
Sherbrooke Trust	100.00	110.00
Sterling Trust	....	44.00
Traders Finance "A" c.	.50	....
Traders Finance 7% "A" pfd.	32.00	....
Trusts & Guar.	28.00	33.00
Victoria Trust & Savings	130.00	139.00
Waterloo Trust & Savings	90.00	110.00
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	98.00	100.50
Calgary Power 6% pfd.	77.00	81.00
Can. Light & Power com.	20.50	24.00
Can. West. Nat. Gas LH&P pfd.	77.00	81.00
Maritime Tel. & Tel. c.	8.50	9.75
Maritime Tel. & Tel. 7% pfd.	10.50	11.75
N.B. Telephone c.	8.35	9.25
Nova Scotia L&P com.	25.50	35.00
Nova Scotia L&P 6% pfd.	72.00	76.00
Recent London Quotations:		
Brewers & Distillers		10s.
Can. & For. Secs.		4s. 6d.
Can. West. Lumber		1s. 6d.
Hudson's Bay		26s. 3d.
Do., 5% pref.		92s. 6d.
Internat. Holdings		$2 3/16
Nfld. Pr. & Pap. deb. stock B		95
Trust & Loan of Can.		3s. 4d.

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Bank of Montreal	$8	$2	Dec. 1	Oct. 31
Beatty Bros. pref.	$6	$1.50	Nov. 1	Oct. 14
B. C. Telephone 1st pref.	$6	$1.50	Oct. 2	Sept. 15
Do., 2nd pref.	$6	$1.50	Nov. 1	Oct. 15
Belding Corticelli c.	$4	$1	Nov. 1	Oct. 14
Canada Nor. Power	80c	20c	Oct. 25	Sept. 30
Can. Industries A & B	$3.50	87½c	Oct. 31	Sept. 30
Canadian Bronze	60c	15c	Nov. 1	Oct. 20
Do., pref.	$7	$1.75	Nov. 1	Oct. 20
Canada Iron pref.	3%	1½%	Nov. 15	Oct. 31
Can. Dredge pref.	7%	1¾%	Nov. 1	Oct. 18
Calgary Power pref.	6%	1½%	Nov. 1	Oct. 14
Community Trusts c.	$2.50	62½c	Oct. 16	Sept. 30
Can. Converters	$2	50c	Nov. 15	Oct. 31
Eastern Twps. Tele. c.	72c	18c	Jan. 15/34	Dec. 31
Dome Mines	$1	25c	Oct. 20	Sept. 30
Do., extra	...	25c	Oct. 20	Sept. 30
Dominion Bridge	$2	50c	Nov. 15	Oct. 31
Hollinger Gold	65c	5c	Nov. 4	Oct. 20
Do., extra	...	5c	Nov. 4	Oct. 20
Humberstone Shoe	$2	50c	Nov. 1	Oct. 14
Inter. Nickel, pref.	7%	1¾%	Nov. 1	Oct. 2
Imperial Bank	10%	2½%	Nov. 1	Sept. 30
Inter. Utilities, prior pfd.	$7	$1.75	Nov. 1	Oct. 16
Do.	$3.50	87½c	Nov. 1	Oct. 16
McIntyre Porc. M.	$1	25c	Dec. 1	Nov. 1
Do., extra	...	12½+12½c	Dec. 1	Nov. 1
Mercury Oils	...	4c	Jan. 2	Nov. 30
Montreal L. H. & Pr.	$1.50	37c	Oct. 31	Sept. 30
Northern Ont. Power	$2	50c	Oct. 25	Sept. 30
Do., pref.	6%	1½%	Oct. 25	Sept. 30
Penmans	$3	75c	Nov. 15	Nov. 6
Do., pref.	$6	$1.50	Nov. 1	Oct. 21
Quarterly Inc. Shares	...	3c	Nov. 1	Oct. 15
Royal Bank	8%	2%	Dec. 1	Oct. 31
Russell Motor pref.	$4	$1	Nov. 1	Oct. 20
St. Law. Flour	$1.50	37½c	Nov. 1	Oct. 20
Do., pref.	7%	1¾%	Nov. 1	Oct. 20
Steel of Canada	$1.20	30c	Nov. 1	Oct. 7
Do., pref.	$1.75	43¾c	Nov. 1	Oct. 7
Shawinigan W. & Pr.	50c	12c	Nov. 15	Oct. 25
Southern Can. Power c.	80c	20c	Nov. 15	Oct. 31
Simpson, Robt., pref.	6%	3%	Nov. 1	Oct. 16
Teck Hughes	60c	15c	Nov. 1	Oct. 10

Dividend Rate Reduced:
Southern Can. Power c. Nov. 15, $1 to 80c. per annum.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.
October 17, 1933

	Rate	Actual Maturity	Next Int. Date	Price	Yield
*Alberta	4½	1 Oct., 1958	1 Apr.	88.50	5.34
Alberta	5	1 July, 1943	1 Jan.	96.00	5.52
Alberta	6	1 Mar., 1947	1 Mar.	103.50	5.63
*British Columbia	4½	1 Oct., 1953	1 Apr.	88.50	5.45
*British Columbia	5	15 Jan., 1948	15 Jan.	95.00	5.49
British Columbia	6	15 Feb., 1947	15 Feb.	102.50	5.72
Manitoba	4	1 July, 1947	1 Jan.	82.50	5.84
*Manitoba	5	2 Dec., 1959	2 Dec.	93.00	5.50
Manitoba	6	1 Apr., 1947	1 Apr.	101.50	5.85
*New Brunswick	4	1 June, 1948	1 Dec.	92.00	4.75
*New Brunswick	4½	15 June, 1936	15 Dec.	101.00	4.37
New Brunswick	5½	15 May, 1950	15 Nov.	106.00	4.98
*Nova Scotia	4½	15 Nov., 1948	15 Nov.	100.50	4.45
Nova Scotia	5	1 May, 1943	1 Nov.	102.00	4.75
*Ontario	4½	1 Sept., 1944	1 Mar.	103.50	4.10
Ontario	5	15 Oct., 1948	15 Apr.	104.50	4.58
Ontario	5½	1 Feb., 1947	1 Feb.	109.00	4.60
P. E. I.	4	1 Apr., 1939	1 Apr.	96.90	4.60
P. E. I.	6	1 May, 1947	1 Nov.	112.00	4.81
*Quebec	4½	1 May, 1961	1 Nov.	102.00	4.13
*Saskatchewan	4½	1 Sept., 1955	1 Mar.	85.50	5.66
*Saskatchewan	5	1 Nov., 1959	1 Nov.	92.00	5.58
Saskatchewan	6	15 Mar., 1952	15 Mar.	101.00	5.91
*Newfoundland	5	31 Dec., 1952	31 Dec.	83.00	6.55
*Newfoundland	5½	1 July, 1939	1 Jan.	85.00	8.75
*Newfoundland	6½	30 June, 1936	31 Dec.	94.00	9.10
Cities					
*Montreal	5	1 Sept., 1963	1 Mar.	104.80	4.70
*Toronto	4½	1 Jan., 1955	1 Jan.	100.00	4.50
*Vancouver	5	15 Jan., 1970	15 Jan.	93.00	5.44
Winnipeg	5	1 Mar., 1944	1 Mar.	93.50	5.84
*Edmonton	5½	1 Apr., 1947	1 Apr.	92.50	6.33
Calgary	5	1 Jan., 1943	1 Jan.	90.00	6.42
Halifax	6	1 July, 1951	1 Jan.	115.01	4.73
Saint John	5	15 Dec., 1950	15 Dec.	102.95	4.75
Regina	4½	1 July, 1950	1 Jan.	79.60	6.50
Victoria	5	21 July, 1945	21 Jan.	93.56	5.75
Quebec	5	1 June, 1948	1 Dec.	101.00	4.90

*Payable in New York.

Winnipeg Stock Exchange

(Transactions for week to October 14)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close Oct. 14
4	7.3	Canadian Fire	2	.55	.55	.55
..	..	Central Manitoba	4100	.17	.15	.15
..	..	Federal Grain, pfd.	10	25	25	25
..	..	God's Lake	2450	.66½	.65	.65½
..	..	Macassa	400	1.03	1.00	1.03
..	..	San Antonio	1900	1.48	1.43	1.43
..	..	Smelters Gold	1800	.38	.37	.37
..	..	South Tiblemont	1700	.35	.35	.35
..	..	Western Breweries	25	1	1	1
1	10	United Grain	2	10	10	10
7	8.2	Western Grocers, pfd.	30	85	85	85

TRADE CHAMBERS CONTINUE EFFORT TO LOWER TAXES

Statement of Policy Presented at Conclusion of Meeting

By Staff Editor

OTTAWA. — No attempt was made by the Canadian Chamber of Commerce at its eighth annual convention here last week to pass numerous resolutions. Rather the precedent was adopted of outlining a general policy for the Chamber and its member boards of trade. The report on policy was drawn up by a committee under the chairmanship of Brig.-Gen. C. H. Mitchell, president of the Toronto Board of Trade. The committee studied all the addresses that had been given at the convention and incorporated in its statement many of the interesting ideas brought out.

In the statement of policy emphasis was placed upon the importance of public economy and of arriving at the earliest possible moment at a balancing of public budgets and consequent reduction in taxation. It was decided to continue the work of the National Committee on Economy in Public Finance. The serious determination of the chamber to press forward its campaign on this matter was shown by its election as president for the forthcoming year of W. Sanford Evans, of Winnipeg, who last year made the studies on public expenditure that were the basis of the Chamber's economy campaign.

Boards Asked to Refrain

Boards of trade were urged not only to support economy programmes of public authorities but also to refrain from petitioning for the expenditure on public works unless the proposed undertakings promised to be self-supporting, are absolutely necessary to effect economy in operation or are in the public interest in the economic development of natural resources.

It was emphasized in the statement of the policy that if Canada expects to attract investment funds to promote its own internal development she must first put her house in order by balancing her budgets. Endorsation was given to the view that private initiative and enterprise must lead in the restoration of business. Governments were urged to keep out of business as far as they possibly can, to confine themselves exclusively to governmental functions. Governments were also asked to remove existing obstacles to trade development and to refrain from unnecessary and onerous regulation of business. The hope was expressed that the National Recovery Act would work out in the U. S. A. but, because of the difference in the trade situation of the two countries, it was felt that Canada should not adopt the N.R.A. plan.

Immigration Plans

The statement of policy expresses the opinion that Canada needs an increase in her population by immigration as soon as conditions permit; and that such immigration should be confined largely to land settlers but that immigrants coming in should be financed by themselves or by the countries from which they come.

In connection with unemployment, it was felt, wherever possible, work should be given rather than direct relief and the chamber undertook to encourage the extension of credits for construction and generally to urge the necessity for active construction campaigns. It was felt that many forms of construction were available on a safe investment basis today.

The outline of policy included an endorsation of the Empire trade agreements; the opinion that readjustment of mortgages and other forms of indebtedness throughout Canada were necessary to the resumption of business; the belief that within the bonds of Empire agreements there is ample scope for large and profitable development of commerce with the U. S.

Officers for 1933-34

There were 120 registered delegates from eight provinces. In addition one British business man and seven Americans joined in the proceedings. The officers for the coming year were as follows:

President, W. Sanford Evans, Winnipeg.

Chairman of the executive, A. O. Dawson, Montreal.

Vice-chairmen, Philip S. Fisher, Montreal, and A. N. Mitchell, Toronto.

Honorary treasurer, J. Y. Murdock, K.C., Toronto.

Vice-presidents: Duncan Cameron, Winnipeg; C. E. Gravel, Montreal; J. A. Clark, Charlottetown; T. S. Dixon, Vancouver; J. G. Harrison, Saint John; John M. Imrie, Edmonton; A. N. Jones, Halifax; D. P. Cruickshank, Ottawa; W. C. Mills, Regina.

National Councillors: Joseph M. Piggot, Hamilton; A. R. MacKenzie, St. Stephen; H. M. E. Evans, Edmonton; Wesley McCurdy, Winnipeg; R. A. Wright, Drinkwater; T. H. Johnson, Prince Rupert; J. A. LaRue, Quebec; S. A. McDonald, Charlottetown; R. J. R. Nelson, Halifax.

Advisory Council: John W. Ross, chairman, Montreal; G. E. Barbour, Saint John; E. W. Beatty, K.C., Montreal; W. M. Birks, Montreal; S. B. Gundy, Toronto; G. C. McDonald, Montreal; James Richardson, Winnipeg; J. H. Woods, Calgary.

Executive Committee: (with the addition of other officers resident in Montreal): Allan M. Mitchell, Jackson Dodds, George Hogg, S. G. Dobson, G. Laffoley, Walter Molson, R. P. Jellett, Gerald Birks, Henry W. Morgan, Norman Dawes, all of Montreal; Gordon Ingram, London; C. H. Carlisle, Toronto; R. Y. Eaton, Toronto; J. S. Royer, Quebec; J. A. Machado, Ottawa.

Chairman of the National Committee on Public Economy: George H. Smith, Toronto.

Newsprint Output Ahead During First Nine Months

Production Fell Away from August But is Still Above Last Year's Mark—Canadian Total for January-September Records Increase

From Our Own Correspondent

MONTREAL.—Accumulation of newsprint stocks in the United States since last July resulted in a slowing down of production in September, though the output in Canada and the States, according to returns compiled by the Newsprint Service Bureau, shows a more favorable trend than a year ago.

Production of newsprint in Canada during September amounted to 179,416 tons, compared with 194,262 tons in the previous month and with 150,691 tons in September, 1932.

The gain in September as compared with a year ago, was sufficient to bring the cumulative total for the Canadian mills in the first nine months of 1933 up to 1,448,552 or 1,369 tons more than for the same period of 1932, an increase of .1 per cent.

Shipments Show Gain

Even more encouraging was the volume of newsprint shipments from Canada. During September shipments totalled 183,971, bringing the total todate up to 1,453,113 tons compared with 1,449,882 in the corresponding period of 1932.

United States Mills turned out 72,907 tons of newsprint in September, making a total for the nine months period of 696,676 tons. This is roughly 72,000 tons less than that reported for last year.

Shipments from American mills in September aggregated 75,008 tons making a cumulative total for this year to date of 700,600. This compares with 768,328 tons last year.

During September 23,701 tons of newsprint were made in Newfoundland and 1,009 tons in Mexico. Since the beginning of the current year the Newfoundland mills have produced 192,234 tons, or about 16,000 tons or 8 per cent less than in the same period for 1932.

North America Down

The total North American newsprint production in September was 277,033 tons. This brought the total for January-September to 2,349,266 tons compared with 2,443,335 tons, or 94,069 tons less than for the same period a year ago.

Stocks of newsprint paper at Canadian mills are figured at 37,237 tons at the end of September and at United States mills 19,152 tons, making a combined total of 56,389 tons compared with 63,045 tons on August 31, 1933, and 81,157 tons at the end of September, 1932.

LEAGUE STUDY CHARTS COURSE OF DEPRESSION

Twenty-One Countries Show Improvement in Business

Geneva may be split on the disarmament problem but one definite contribution which the League of Nations is making is its compilation and publication of statistics and material relating to economic and financial conditions throughout the world. The league has just published its second world economic survey dated August, 1933, and covering the 12 months period ending July of this year.

Events have happened so quickly in 1933 than even what is published on this continent becomes out-of-date almost overnight. The problem is intensified when the collection of world statistics is undertaken. In spite of this the volume is overflowing with factual matter which, to quote from the introduction, "aims to record events rather than attempt a final or even an interim judgment upon them. To concentrate upon facts rather than upon opinions, upon decisions rather than plans, and upon the statistical evidence of economic activity rather than upon legislation."

More Confidence Now

As to the economic outlook of the world as a whole at the end of July, the report merely indicates that "there was more confidence and greater economic activity in the world as a whole than at any time since the financial panic began in the spring of 1931." It finds, however, that this revival in economic activity varies greatly from country to country and that while "the hope persists that the forces of recovery which are evident will develop further strength it is clear that great and difficult problems remain unsolved particularly in the sphere of international economic and financial relations."

Chief of these cited are indebtedness, currency instability and excessive trade restrictions which are described as "obstacles to recovery that cannot be expected to vanish without positive action based upon international agreement."

Upturn is Charted

One of the most striking charts of the many which are scattered throughout the volume is one showing the development of the depression for the 30 leading countries of the world. The chart extends to the end of the second quarter of 1933 and shows that at that period an upturn in business had occurred in all but nine of the countries for which material was available. These nine countries were as follows: Austria, Norway, Greece, Roumania, Jugo Slavia, Egypt, Argentine, Brazil and Dutch East Indies.

It is interesting that the first countries to experience an upturn were United Kingdom, Brazil, India and Australia, all of which showed their first business improvement in the last quarter of 1931. In both India and Australia this improvement has been sustained until the present time, while in the United Kingdom further reaction occurred in the second and third quarters of 1932. In Brazil the reaction set in in the third quarter of 1932 and that country is shown as still facing downward business indices. Great Britain is shown as having once again regained an upward business trend during the last quarter of 1932. In no less than seven countries, including Canada and the United States, the business upturn occurred only in the second quarter of 1933.

The survey is obtainable from the League of Nations at a cost of $1.50. In this volume, particular study is made of prices, production, wages and social policy, public finances, profits, international trade and commercial policy, monetary and credit policy, the world debt situation and the balancing of international account.

B. C. CITY ASKS FOR RECEIVERSHIP P. C. TERMINALS

New Westminster Desires to Protect Interest Attained by Guarantee

From Our Own Correspondent

VANCOUVER. — Litigation between the city of New Westminster and Montreal Trust Company acting on behalf of the holders of $1,500,000 first mortgage bonds of Pacific Coast Terminals, Ltd., of New Westminster, is indicated by recent developments.

The city of New Westminster is applying for receivership for the company, seeking to protect its interest in the Terminals as the ratepayers guaranteed $21,000 a year interest for twenty years on an issue of $300,000 debentures on the plant.

The city has advanced the last half year's interest and the bondholders refuse to repay the money. By appointment of a receiver the special assessment on the Terminals' property would automatically expire. The Terminals would then be placed on the ordinary land assessment basis, which would give the city $24,000 revenue and offset the guarantee of $21,000.

J. J. Warren, president of Consolidated Mining & Smelting Company, of which the Terminals are a subsidiary, conferred with Montreal Trust officials and stated that Consolidated would not take over the Terminal bonds at a discount, as had been suggested. Nor will his company take over full control, being interested only in the contract which provides export facilities from the Trail smelter.

CONNORS BROS. PLAN BIG PACK DURING SEASON

Sardine Markets in Better Shape — Duty on Tinplate Handicap

From Our Own Correspondent

MONTREAL. — Connors Bros., operators of a sardine packing plant at Black's Harbor, expect to increase their pack this year by as much as 50 per cent over 1932. Everything is being done by the company to give fishermen along the coast as large a market as possible for their catch, and, at the same time, provide more work in the plant in order to relieve the unemployment situation in the district.

Steady headway has been made by the company this year. The fact that the pound sterling and the Canadian dollar are now practically together has made a big improvement in export business. Connors conducts one of the largest export businesses among Canadian producers, shipping their products to over 100 countries. The disturbance in exchange rates over the past 18 months made it difficult to carry on export business on a profitable basis. The bringing together of the Canadian dollar and the English pound has strengthened the company's position, especially in those export markets which make payment in English funds.

Canadian business has held up well this year. The company has introduced one or two new brands on the market in recent months. They have met with an excellent reception.

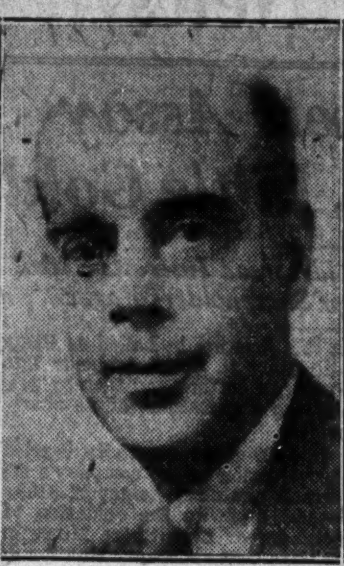
Adverse Tinplate Duty

One of the principal problems confronting Connors Bros. has to do with the purchase of tinplate used in the manufacture of cans. The recent dumping duty imposed on tinplate has been a handicap. There are no manufacturers of tinplate in Canada and Connors Bros., who manufacture their own cans, are obliged to import tinplate. The imposition of the dumping duty on both English and American tinplate has added to costs.

Long before the Empire Conference at Ottawa, Connors Bros. transferred by far the major portion of their purchases of tinplate and oil from the United States to England. At present the company is buying over 80 per cent of its tinplate in England. At times, of course, the company is obliged to buy its tinplate in the United States to fill rush orders, or possibly to export to some competitive market, where there might be an advantage in using American plate.

With the removal of the dumping duty on tinplate, Connors Bros. would be able to improve their operating costs and thus strengthen their position in export markets. The continued imposition of this duty, it is said, may result in the curtailment of their operations.

Heads Sales Force



F. A. MANN

Whose appointment as general sales manager of Brandram-Henderson, Ltd., has been officially announced in Montreal, has been associated with the paint industry for over 29 years and is one of the foremost paint executives in the Dominion.

McINTYRE EARNS $1.20 PER SHARE IN LAST QUARTER

Quarterly Dividend Payable Dec. 1 Will Total 50 Cents Per Share

The quarterly report by McIntyre-Porcupine Mines for the three months ended September 30—the second quarter of the company's fiscal year—showed a net profit of $954,820, equivalent to $1.20 per share as compared with $1 per share in the previous quarter, ended June 30, 1933.

Operating costs were higher as were taxes. The increase in earning can be principally accredited to the higher price of gold.

The report just issued shows the highest earnings in the company's 21 years as a gold producer in the Porcupine area of Ontario. In keeping with this higher rate of earnings, a dividend has been declared payable December 1, to shareholders of record November 1, which will include a bonus of 12½ cents per share plus an extra bonus of 12½ cents, both in addition to the regular disbursement of 25 cents. This makes the total disbursement for the quarter 50 cents per share and brings the dividends disbursed for 1933 to $1.87½ cents per share.

The following tabulation shows comparative earnings for the past two quarterly periods.

	3 Months Ended Sept. 30 $	June 30 $
Gross income	2,092,591	1,818,462
Less:		
Costs	824,461	794,098
Taxes	240,081	151,787
Depreciation	73,229	72,109
Net profit	954,820	800,468
Earnings per share	$1.20	$1.00

VENTURES ASSETS ASSAY MUCH DROSS, LITTLE GOLD

(Continued from page 20)

ket valuation almost equivalent to Ventures itself, but inasmuch as these two companies are so entwined with and controlled by Ventures the values are largely hypothetical ones not reflecting assured earning power. Too much importance can be given to the market value of these subsidiary interests under such circumstances.

The following tabulation gives the principal shareholdings and the recent market value of the listed securities:

Shareholding Dec. 31, 1933

Listed	No. of Shares	Market Value $
Beattie Gold Mines	1,736,813	1,702,077
Bulolo Gold Dredging	......	......
Coniaurum Mines	1,500,007	1,425,007
Dominion Explorers	307,500	19,987
Eldorado Gold Mines	......	......
Falconbridge Nickel Co.	1,547,520	6,035,328
Canadian Malartic Gold Mines—With Sudbury Basin Mines, Ventures underwrote 500,000 shs., and has option on additional 1,250,000 shares.		
Manitoba Basin Min. Co.	......	......
McWatters Gold Mines	48,250	39,565
Prospectors Airways	106,500	87,330
Sherritt-Gordon Mines	48,802	65,882
Sudbury Basin Mines	815,760	1,264,428
Sullivan Consolidated Gold Mines	192,042	34,567
Total stated holdings (exclusive of Canadian Malartic)	6,303,194	10,674,171
Unlisted		
Beaufor Gold Mines		
Can. Gold Operators	599,875	
Island Lake Mines	655,048	
Matachewan Cons. Mines	Option on 1,800,000 shs.	
Mines Devel. Corp.	12,500	
Opemiska Cop. Mines	1,380,867	
Kenora Prospectors & Miners	100,540	
Northern Lead-Zinc	382,500	
Ont. Refining Co.	100,000	
Pascalis Gold Mines	382,818	

The present status, taken in alphabetical order, of the company's various listed holdings is as follows:

Beattie's Outlook Improves

Beattie Gold Mines is a large tonnage low grade gold deposit, which has taken on an unexpected aspect due to the current high price of gold. Initial operations started last May are reported to have shown an operating profit and production has been recently stepped up to 800 from an initial capacity of 600 tons daily with further expansion to 1,800 tons daily imminent. Given a price for gold such as exists at present and the working out of a metallurgical problem attendant on the arsenical ore found, this property must be regarded as an important operation with big scale possibilties.

Bulolo Holdings Not Given

Bulolo Gold Dredging is a pioneer alluvial gold operation in New Guinea. Initial operations were highly successful and a dividend is imminent, but Ventures' interest in the undertaking is not disclosed and is believed to be relatively unimportant.

Coniaurum Mines' operations have been controlled by Ventures for over three years. In this time a well directed effort has failed to win a profit. A widespread exploration programme has been under way by J. Gordon Hardy, a Ventures engineer, but in recent months he has resigned active management. The current high price of gold will doubtless enable a profit to be shown this year. Notwithstanding the unprofitable nature of the company's undertakings a dividend was paid in 1932, but the announced intention is not to continue such a practice. This initial dividend was largely made necessary to bolster Ventures' own financial position. Under the circumstances, the outlook for dividends must rest upon greater success in future development with the possibilities of success not entirely exhausted.

Dominion Explorers Cash Low

Dominion Explorers' chief interest is its copper property adjacent to Great Bear Lake. The company is also interested in silver and pitchblende claims at Great Bear Lake, but none of these properties has received development that would show importance. No financial statement has been made, but officials state the treasury is largely depleted and funds have been provided by directors and associates as needed so that there would have to be financial reorganization before any important programme could be undertaken.

Eldorado Gold Mines holdings are not disclosed. Whether they were ever important or whether they have been disposed of lacks official confirmation.

Falconbridge Obscure

Falconbridge Nickel Co. is 85 per cent controlled by Ventures and Sudbury Basin Mines. With this stock position the market value is always subject to the influence of the controlling interests. Falconbridge initiated dividends in January of this year and has distributed 20 cents per share so far this year. Earnings in the first six months were reported at 16 cents per share, while the first income statement, published for 1932, showed 24 cents per share. The fact that Falconbridge has been able to make a showing in the last year and a half, following a period of unprofitable production, leaves its sustained earning power rather obscure in the face of the competition offered by its neighbor, International Nickel. It must be admitted that Falconbridge's current earnings statements are intriguing, but in the face of the adversity experienced by other nickel producers and the fact that the grade of ore treated is admittedly low compared with the Frood deposit, and that the company lacks a sales and research organization, the question of sustained earnings can only be confirmed by developments in future years.

Malartic a Riddle

Canadian Malartic Gold Mines came under the control of Ventures in 1929. There was great activity in the shares, but following a report by an eminent engineer, operations suspended and Ventures' subsequent share interest was never disclosed publicly. Many shareholders were of the belief that the property did not receive the development merited and early this year shareholders forced a new financial and development programme for which Ventures were the successful bidders. Why this property remained dormant while Sudbury Basin Mines, another Ventures subsidiary, financed shut-down expenses, has engulfed the property in mystery. Developments this summer are reported as most encouraging.

Manitoba Basin Mining Co. holdings by Ventures were never made public and in any event the obscure merit of its property and the current value for the shares do not make this interest of outstanding importance.

Big Interest in McWatters

McWatters Gold Mines is a promising gold prospect that is being speedily and aggressively developed in Rouyn township. Surface showings have not yet been confirmed by underground work, which has been conducted to a depth of 375 ft. Only a more extensive programme will determine what merit this property has. Ventures' interest at the present time is not disclosed, but is believed to be greater than that shown on December 31 last.

Prospectors Airways Ltd. holdings by Ventures is believed to be increased since December 31 last, but here again principal interest centres about its development of the McWatters Gold Mines property. At last report Ventures has approximately 25 per cent interest in Prospectors Airways, which is an aggressive exploration company, but none of its properties has been developed to the point where profitable mine-making possibilities are assured.

Sherritt Holdings Small

Sherritt-Gordon Mines. The interest of holdings by Ventures represents a relatively small investment and regardless of the future of this property, presently shut down, it would not materially enhance Ventures' position.

Sudbury Basin Mines is nearly 50 per cent controlled by Ventures. Chief interest in Sudbury Basin is in its holdings of about 37 per cent of the shares of Falconbridge Nickel; about 4 per cent interest in Sherritt-Gordon Mines; substantial blocks in Island Lake Mines, Sullivan Consolidated Mines and Canadian Malartic Gold Mines. Here, again, the shareholdings are so entwined with Ventures as almost to preclude an analysis of their tangible worth.

Sullivan Inactive

Sullivan Consolidated Mines was under active exploration by Ventures this season, but recently work was suspended. Whether or not results justify the programme being resumed has not been disclosed.

Coming now to the unlisted holdings of Ventures there is very little on which one can appraise their importance. With the exception of its 5,000 shares in Ontario Refining Co., the copper refining subsidiary of International Nickel Co. none is paying dividends. This dividend, however, and also the shares are pledged to Nipissing Mines for cash advances made by that company to Ventures. This loan is now being repaid by the sale of 2,800 shares of Ontario Refining stock.

Beaufort Gold Mines holdings by Ventures are not disclosed. It is a prospect that has been under development in Pascalis township without its possibilities being clearly defined.

Canadian Gold Operators has been financed by Ventures as work proceeded. The property was regarded as a prospect, but latest work left the mine-making possibilities inconclusive.

Island Lake Blunder

Island Lake Mines has been financed by Ventures and shares taken up as work proceeded. An unexpected turn in the affairs of this company came recently when Ventures announced that a faulted condition had cut off the ore below the first level. Inasmuch as a 50-ton mill had been built on the property before shaft-sinking had started and before deep diamond drilling had picked up the ore the policy of mill construction is open to criticism. What the property has in store can only be told by further development.

Mines Development Corp. is a holding and development company with principal interest centred about the shares in the property of Randall Mines. At present stage of development the tangible value of the holdings remains obscure as activities have been suspended.

Opemiska Copper Mines holds a block of claims in the Chibougamau area of Quebec, which were under development by Ventures in 1930. Low copper prices suspended the effort to prove up the importance of the showing.

Revamping Old Producers

Kenora Prospectors & Miners is principally owned by Ventures. It is further prospecting some of the old producers in the Lake of the Woods area operated years ago. Whether these old properties have been exhausted of profitable ore depends to a great extent on the future trend of gold prices. A commendable effort is being made by Ventures to give them a further trial where other large, well-financed mining companies refuse to display interest.

Northern Lead-Zinc has earmarks of an important base metal deposit near Pine Point on the south side of Great Slave Lake. No work has been done since 1930 owing to low base metal prices.

Pascalis Gold Mines has a property in Pascalis township, Quebec, that was actively explored in 1932 without confirming that it had outstanding importance.

In addition to the above shareholdings the company has numerous properties in many parts of the Dominion, but at the present stage of development they cannot be considered more than prospects and as such hold all the risks and potentialities of undeveloped mining properties.

At the Mines

Anaconda Oil Co. — At a recent meeting of directors held in Calgary, A. C. Johnston was elected president; Major H. J. Robie, vice-president; Robert J. Gatherwood, vice-president and Archibald J. Scott, managing-director and secretary-treasurer, of Calgary. Other directors elected include J. T. Atkinson, Dr. Robert McKenzie and C. E. Disher, of Vancouver.

* * *

Bagamac Rouyn Mines—Shaft sinking, early this spring, has been completed to a depth of 125 ft. Crosscutting and drifting has been held up by a heavy flow of water. The vein, showing native gold, molybdenite and sulphides, is understood to be maintaining its width in the drift.

* * *

Bidgood Kirkland Mines—A letter to shareholders announces that arrangements have been made with Mining Enterprises Ltd., to act as fiscal agents for the company and finance its development programme which calls for the installation of a mill. The present company was incorporated early this year to succeed the Bidgood Consolidated Mines, owning a property to the east of the producing section at Kirkland Lake.

* * *

B.R.X. Gold Mines—Listing papers have been completed and shares are to be called for trading on the Standard Stock & Mining Exchange on October 19.

* * *

Churchill Mining & Milling Co.—Shareholders, on October 14, authorized the immediate installation of a small test mill at the company's West Shining Tree property. A shaft is down 40 ft. and shows a vein width of 34 inches, in a mineralized zone 250 ft. wide, which has been uncovered for a length of 300 ft.

* * *

Glenora Gold Mines — Diamond drilling is planned for the company's property at Kirkland Lake. P. E. Hopkins, the company's engineer, is spotting the first hole, which will be drilled on the No. 3 vein to a projected depth of 1,000 ft.

* * *

Lee Gold Mines—Diamond drilling is continuing at the company's property in the Swayze area along a mineralized zone 700 ft. in length. Holes down 200 ft. have shown mineralization across eight to ten ft. in width and a shaft is contemplated upon completion of present drilling programme.

* * *

Pioneer Gold Mines of B. C.—September bullion production was valued at $183,000 with operating costs of $61,500 leaving an operating profit of $121,500 subject to depletion, depreciation and taxes.

Earnings for the first six months of the company's fiscal year, ended September 30, are shown at $1,190,250. Deducting power development costs of $343,000, a net profit of $847,250 is shown, subject to the usual reserves.

* * *

Kirkland Consolidated Gold Mines—Shaft sinking to an immediate objective of 250 ft. encountered a new vein from 12 to 15 inches wide in the shaft at a depth of 110 ft. The company has 14 claims in Grenfell township, west of Kirkland Lake. Levels at 125 and 250 ft. are to be opened up immediately shaft sinking is completed.

* * *

Siscoe Gold Mines — Paul Ranger, K.C., has been elected a director succeeding John Knox, resigned.

Stadacona-Rouyn Mines — New stock of the company was called for trading on the standard Stock & Mining Exchange, unlisted section, on October 16. Previously trading has been in the old shares, which are exchangeable for new on the basis of two old for one new.

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Mining Stock Quotations

Week Ending October 16.

Par Val.	Range 1933 High	Range 1933 Low	Company	Sales	Close Oct. 9 (or last)	High for week	Low for week	Close Oct. 16
1	.02½	.00½	Aconda	4,500	.01	.01½	.01	.01
No	.30	.03	Aldermac	9,820	.22½	.23	.21½	.21½
1	.03½	.01	Alexandria	33,500	.01½	.01½	.01½	.01½
No	.06	.01½	Algoma	65,500	.01½	.01½	.01½	.01½
1	.10½	.00½	Algonquin	6,500	.00½	.00½	.00½	.00½
1	.06	.00½	Amity C.	12,900	.04	.04	.03½	.03½
No	.75	.10	Amulet	23,189	.47	.47	.40	.40
1	.01	.00½	Apex	......	.00½	.....	.....	.....
1	.07½	.01½	Area	3,500	.04½	.04½	.04	.04
No	.11	.05	Arno (new)	4,400	.07	.06½	.05	.05
1	1.36	.74	Ashley	600	1.15	1.17	1.05	1.05
1	.14	.02½	Bagamac	15,300	.04	.04	.02½	.02½
1	.03	.00½	Baldwin	10,000	.01	.01½	.01	.01½
1	.20	.08	Barry Hollinger	84,950	.14	.14½	.11½	.11½
1	2.45	.75	Base Metals	16,240	2.15	2.20	1.75	1.80
1	1.29	.60	B. E. A. R.	85,750	.82	.87	.68	.68
1	.40½	.08	Big Missouri	22,850	.21	.22	.18	.18
1	.45½	.44	Big Missouri (new)	13,950	.44½	.44	.40	.40
1	.28½	.08½	Bobjo	27,600	.23	.23	.20	.20
No	13.25	2.28	Bralorne	3,810	11.50	11.40	9.00	9.25
1	.25	.15	Brett Trethewey	5,500	.18	.17½	.16½	.16½
1	.07½	.01½	Brownlee	44,100	.02½	.03	.02	.02
1	.03	.00½	Buckingham	10,500	.01	.01½	.01	.01
No	.09½	.01½	Buffalo Can.	12,000	.06	.05½	.04	.04
5	20.50	15.40	Bulolo	1,780	20.00	20.00	19.00	19.00
No	.10	.01½	Bunker Hill	134,000	.07½	.08	.06½	.06½
5s	1.25	.60	B'Wana McKubwa	......	.75	.....	.....	.....
No	.05	.02½	Canam Metals	......	.04	.....	.....	.....
1	.12½	.03	Can. Kirkland	57,050	.09½	.09½	.07½	.07½
No	.60	.32	Can. Malartic	49,035	.55	.59½	.48	.48
1	.02	.00½	Capital Rouyn	14,000	.01	.01½	.01	.01
1	.03½	.01	Cartier Malartic	5,000	.01½	.01½	.01½	.01½
1	.72	.15	Castle Trethewey	21,875	.53	.53	.41	.41½
1	.20	.06	Cen. Manitoba	68,000	.17	.17	.12½	.14
1	.73	.17	Cen. Patricia	51,825	.63	.63	.45	.47½
No	.20	.03	Chibougamau Pros.	30,200	.06	.06	.05	.05
No	.12	.03	Church. M. & Mill.	48,200	.11½	.12	.10½	.12
No	.04	.00½	Clericy	23,500	.02½	.02½	.02	.02
1	.03	.01	Clifton Cons.	2,000	.01½	.01½	.01½	.01½
5	9.00	1.05	Coast Copper	1,550	5.50	5.00	3.00	3.00
1	.15	.00½	Cobalt Contact	50,900	.05	.05½	.03½	.03½
1	.33	.05	Columario	26,860	.18	.18½	.16	.16
5	1.90	.75	Coniagas	200	1.24	1.25	1.24	1.24
No	1.00	.20	Coniaurum	4,600	.90	.85	.80	.80
25	144.00	54.00	Cons. Smelters	2,290	135.00	135.00	120.00	120.00
No	40.00	13.60	Dome Mines	16,980	37.90	36.85	32.25	33.50
No	.15½	.03½	Dom. Explorers	11,200	.05	.05½	.04½	.04½
1	.02½	.00½	Dominion Kirk	69,000	.02½	.02½	.02	.02
1	.04	.01	Don Rouyn	......	.01½	.....	.....	.....
1	.04½	.01½	Duparquet	......	.03	.....	.....	.....
1	8.10	1.16	Eldorado	72,540	3.80	3.80	2.45	2.60
No	4.55	1.80	Falconbridge	5,897	3.75	3.70	2.99	3.10
1	.06	.01	Federal	17,600	.02½	.03	.02½	.02½
No	.07	.01	Gilbec	12,000	.02½	.03	.02	.02
1	.17	.04	Goldale	15,900	.14	.14½	.11	.11
10	.29	.10	Goldfield	4,000	.21	.21	.17	.17½
.	.01½	.01	Gold Reef	......	.01	.....	.....	.....
1	.23	.02	Goodfish	67,400	.18	.18	.15	.16
1	.04	.01	Graham	8,000	.02	.02	.02	.02
1	1.95	.55	Granada	19,795	.83	.84	.55	.60
1	.18	.06	Grozelle	200	.11	.10	.10	.10
1	.45	.24	Halcrow Swayze	2,100	.40	.37	.35	.35
1	.06	.02	Harker	17,200	.03	.03½	.03	.03
1	.01½	.00½	Hilltop	9,500	.00½	.00½	.00½	.00½
5	11.00	6.00	Hollinger	16,787	10.60	10.70	9.60	9.70
1	1.51	.61	Howey Gold	107,905	1.20	1.23	1.01	1.04
No	12.25	3.10	Hudson Bay	2,200	10.00	10.00	9.00	9.00
No	.55	.25	Huronian	641	.50	.50	.40	.40
1	13.00	8.50	Inter. Mining	5,400	12.00	13.00	12.00	12.35
No	23.25	8.00	Int. Nickel	53,800	20.10	20.30	17.60	18.00
1	.04½	.00½	Jackson Manion	112,200	.04	.04½	.03	.03
1	.70	.20	Keeley	650	.53	.52	.50	.52
1	.02	.00½	Keora Mines	5,000	.01½	.01½	.01	.01
1	.78	.48	Kirk. Hud. Bay	2,300	.60	.60	.54	.55
1	.02½	.00½	Kirk. Hunton	11,000	.00½	.00½	.00½	.00½
1	.52	.29	Kirkland Lake	41,020	.39	.39	.29	.29
1	.04	.01½	Kirkland Premier	15,000	.02	.02½	.02½	.02½
1	.52	.12	Kirk. Townsite	26,400	.34	.35	.24½	.25
20c	.02½	.00½	Koot. Florence	2,500	.01½	.01½	.01½	.01½
1	.35	.15	Lakeland	9,850	.20	.22	.17	.21
No	.32	.07	Lake Maron	71,000	.15	.14½	.12	.12½
1	50.50	30.75	Lake Shore	7,886	50.10	50.25	45.15	45.50
1	.23½	.02½	Lebel Oro	24,900	.16	.18	.10	.10
No	.29	.11	Lee Gold	42,100	.18½	.19	.14½	.15
1	1.29	.20	Macassa	560,172	1.04	1.07	.85	.87
1	.07½	.01	Malrobic	259,600	.02½	.02½	.01½	.01½
No	.17	.02½	Mandy	6,500	.10½	.10	.09½	.10
No	.07	.01	Manitoba Basin	21,600	.02½	.02½	.02	.02
5	47.50	21.20	McIntyre	16,155	44.00	43.00	35.60	37.00
1	.55	.30	McKinley	......	.50	.....	.....	.....
No	.08	.02	McLeod River	33,500	.02½	.02½	.02	.02
1	.35	.03	McMillan	26,150	.33	.33½	.26	.26
No	1.15	.39	McWatters	55,400	.65	.65	.39	.45
1	1.05	.15	McVittie	79,181	.94	.96	.76	.80
5	1.25	.06	Mentor Exp. & Dev.	.....	1.05	.....	.....	.....
1	.45	.30	Metropolitan Gold	3,800	.42	.41	.39	.39
No	2.65	1.20	Mining Corp.	3,225	2.00	1.95	1.65	1.65
1	.05	.01½	Moffatt Hall	39,500	.02½	.03	.02½	.02½
1	.12½	.02	Moneta	900	.07	.08	.06½	.06½
1	.00½	.00½	Montreal Rouyn	......	.00½	.....	.....	.....
No	.12½	.05	Moss (new)	950	.05	.05	.05	.05
1	.03½	.00½	Murphy	1,000	.01½	.01½	.01½	.01½
No	.06½	.02½	Newbec	2,800	.02½	.03½	.02½	.02½
1	.06½	.01½	Night-Hawk Penn.	14,000	.05	.06	.04½	.05½
5	3.50	1.15	Nipissing	10,010	2.65	2.73	2.10	2.10
No	39.25	19.75	Noranda	24,638	35.65	35.60	31.00	31.50
No	.52	.30	Nor. Canada	5,150	.41	.35	.30	.32
No	.49	.19½	Normont-Gold	20,550	.48	.49	.47	.49
1	.34	.05	Osisko	5,500	.21	.19	.16	.16
1	.46	.11	Parkhill	58,600	.39	.40	.30	.30
1	.03½	.01	Pawnee Kirk.	3,000	.01½	.01½	.01½	.01½
1	.29	.20	Paymaster	40,775	.28	.28	.25	.25
1	1.80	.50	Pend. Oreille	3,550	.98	.98	.80	.80
1	.04½	.00½	Peterson Cobalt	1,000	.02	.01½	.01½	.01½
1	16.25	4.30	Pioneer Gold B.C.	3,115	12.00	11.80	9.35	9.50
1	.03	.00½	Porcupine Crown	......	.02	.....	.....	.....
1	.01½	.00½	Potter Doal	......	.00½	.....	.....	.....
1	1.60	.55	Premier Gold	11,250	1.23	1.25	1.04	1.04
1	.03½	.00½	Preston E. Dome	5,000	.02½	.02½	.02½	.02½
No	1.75	.60	Prospectors Air's.	3,900	.73	.70	.60	.65
No	.15	.03	Quemont	......	.13	.....	.....	.....
1	.51	.33	Read Authier	22,700	.40	.40	.35	.35
1	2.75	.84	Reno Gold	51,985	.95	1.40	.84	.84
1	.03½	.00½	Ribago	19,400	.02	.01½	.01½	.01½
1	.03	.01½	Ritchie	12,500	.02½	.02½	.01½	.01½
1	.04½	.01	Robb Montbray	1,000	.02½	.02	.02	.02
1	1.60	.75	San Antonio	32,580	1.49	1.50	1.16	1.20
1	.07	.02	Seven Troughs	......	.07	.....	.....	.....
1	1.90	.33	Sherritt Gordon	95,785	1.25	1.25	.84	.85
1	1.78	1.25	Siscoe	81,251	1.50	1.51	1.36	1.36
1	.10½	.02½	South Keora	3,000	.04	.03½	.03½	.03½
No	.07½	.01½	Stadacona	244,850	.03½	.03½	.03	.03
	.16	.14½	Do., new	12,400	.....	.16	.14½	.14½
1	.60	.07	St. Anthony	18,900	.35	.35	.30	.30
No	2.21	.60	Sudbury Basin	9,850	1.37	1.38	1.03	1.03
1	.15	.00½	Sudbury Contact	12,000	.10½	.10	.07½	.08½
1	.02½	.00½	Sudbury Mines	47,000	.02	.02½	.01½	.02
No	.28	.10½	Sudbury Nickel	......	.28	.....	.....	.....
1	.38½	.14	Sullivan	46,300	.16½	.18	.15	.17
1	1.44	.72	Sylvanite	57,825	1.27	1.28	1.02	1.10
1	.03½	.01½	Tashota	......	.01½	.....	.....	.....
1	7.25	3.70	Teck Hughes	52,211	6.65	6.55	5.50	5.60
1	.20	.03	Thom. Cadillac	21,600	.16	.16	.14	.14
1	.61	.10	Towagmac	6,800	.47	.46	.40	.41
1	3.00	1.00	Treadwell	900	1.35	1.40	1.20	1.20
1	.25	.04	United Kirkland	19,900	.22	.21	.17	.18
No	.06½	.01½	Vacuum Gas	6,500	.01½	.01½	.01½	.01½
No	2.40	.30	Venezuela	......	1.06	.....	.....	.....
No	1.50	.75	Ventures	56,595	.95	.95	.75	.75
1	.22	.01½	Vickers	13,000	.02	.02½	.01½	.01½
1	.72	.20	Vipond	10,140	.54	.52	.49	.51
No	2.85	.35	Waite Ackerman	500	1.41	1.41	1.00	1.00
50c	.75	.33	Wayside	100,325	.46	.50	.38	.39
No	.29	.20	White Eagle	27,150	.24½	.25	.20	.21
1	.08	.02½	White Lake	500	.03½	.03½	.03½	.03½
1	.28	.02	Wiltsey Coughlan	45,650	.19	.21	.15½	.17
1	.27	.06	Wood Kirkland	500	.10	.07	.07	.07
No	8.60	3.73	Wright-Hargreaves	49,565	8.25	8.20	6.90	7.00

OIL STOCKS

Par Val.	Range 1933 High	Range 1933 Low	Company	Sales	Close Oct. 9 (or last)	High for week	Low for week	Close Oct. 16
No	.32	.07½	Acme Gas & Oil	17,783	.17	.18	.14	.14½
No	.01	.....	Advance Oils	.....	.01	.....	.....	.....
1	.04½	.04½	Admiral	.....	.04½	.....	.....	.....
1	1.60	.55	Ajax	14,400	1.26	1.29	1.08	1.12
1	.38	.05	Alta. Pacific	4,800	.19	.20	.16	.16
1	.20	.05	Amalgamated	700	.12½	.15	.13	.13
No	1.10	.04½	Associated	6,150	.26	.25	.20	.20
No	.26	.01	Baltac	4,300	.06	.06	.04½	.04½
No	2.50	.25	Calgary & Ed.	1,100	1.28	1.15	1.00	1.00
1	.45	.10	Calmont	3,100	.10	.10	.09	.10
1	.25	.03½	Common. Pete.	.....	.10	.....	.....	.....
No	2.50	.11	Dalhousie	8,040	.50	.51	.30	.35
No	.19	.02	Devenish	1,600	.12	.10	.09	.10
No	.55	.05½	East Crest	21,875	.32	.34	.26	.28
No	.36	.20	Erie Gas	500	.23	.20	.20	.20
No	.02	.00½	Fabyan Pete	16,000	.01	.01½	.01	.01
No	1.75	.06	Foothills	100	.48	.45	.45	.45
No	.28	.06	Freehold	4,700	.11	.12½	.11	.11
No	.12	.01½	Hargal	.....	.02	.....	.....	.....
No	4.05	.30	Home	30,190	1.86	1.89	1.11	1.20
No	.05	.02½	Homestead	.....	.02½	.....	.....	.....
1	.25	.10	Homestead O. & G.	5,300	.14½	.15	.13	.13
No	.47	.10	Lowery	.....	.20	.....	.....	.....
No	.06½	.03	Madison	5,000	.04	.03½	.03½	.03½
No	.20	.05½	Marjon Oil	500	.13	.12	.12	.12
1	1.85	.14	Mayland	.....	1.40	.....	.....	.....
No	.10	.03½	McD. Segur Ex.	18,500	.05½	.06	.05	.05
	.08½	.05½	McD. Segur New	.....	.07	.....	.....	.....
1	1.10	.25	McLeod	200	.38	.36	.36	.36
No	.30	.07½	Mercury	22,100	.18½	.19½	.18	.19
No	.45	.11	Merland	10,200	.28	.28	.20	.20
	.01½	.01	Mid West	.....	.01½	.....	.....	.....
No	.35	.09	Mill City Pete	600	.18	.18	.18	.18
1	.50	.12	Model	1,700	.27½	.27½	.26½	.26½
5	.30	.09	Nordon	14,450	.14	.14	.11½	.11½
No	.12½	.02½	Oil Selections	22,600	.06½	.06½	.05	.05½
No	.20	.04	Okalta	.....	.16	.....	.....	.....
No	.61	.20	Olga Gas & Oil	12,100	.33	.36	.30	.30
1	.25	.13	Petrol Oil & Gas	2,000	.18	.18	.16½	.16½
No	.02	.02	Richfield	.....	.02	.....	.....	.....
No	23.00	5.75	Royalite	2,371	14.00	14.00	13.00	13.00
No	.25	.05	Sarnia Oil	3,000	.11½	.10	.09	.09
No	.45	.11	South West Pete	.....	.15	.....	.....	.....
1	.39	.06	Spooner	200	.24	.25	.25	.25
No	.75	.20	Sterling Pacific	200	.32	.30	.30	.30
	.43½	.43	Trinidad Oil	.....	.43½	.....	.....	.....
No	.25	.05	United	2,000	.07½	.07	.07	.07
No	.25	.06	Vanalta	500	.14	.13	.13	.13
No	.08	.00½	Wainwell	3,300	.02½	.03	.02½	.02½

VANCOUVER STOCK EXCHANGE
(Transaction for Week to October 9.)

Par Val.	Range 1933 High	Range 1933 Low	Company	Sales	Close Oct. 2 (or last)	High for week	Low for week	Close Oct. 9
25c	.03	.00½	Bayview	.....	.01	.....	.....	.....
20c	.10½	.02½	Beaver Silver	5,500	.06½	.06	.06	.06
25c	.17	.03	Big Slide	7,000	.04	.03	.03½	.03½
25c	.06	.01	Bluebird	7,000	.03	.02½	.02½	.02½
No	13.00	1.38	Bralorne	2,121	11.50	12.00	11.50	11.75
1	.57	.06	Bridge River Cons.	33,100	.30½	.32	.29	.30
50c	.71	.35	Bridge River Exp.	24,300	.45	.47	.40	.41
100	89.00	88.50	B. C. Electric, pfd.	.....	88.50	.....	.....	.....
	.46	.33	B. C. Nickel	13,100	.40	.38	.33	.33
1	1.50	.60	B. C. Silver	.....	1.00	.....	.....	.....
No	.82	.52	Burns Mountain	.....	.55	.....	.....	.....
1	4.60	1.50	Cariboo Gold	16,985	3.70	3.75	3.15	3.60
No	12.90	5.00	Coast Breweries	263	10.50	10.40	10.05	10.05
25c	.02½	.00½	Cork Province	.....	.01	.....	.....	.....
1	.05	.02	Cotton Belt	.....	.05	.....	.....	.....
1	.08	.01½	Dalhousie Mines	.....	.03	.....	.....	.....
1	.21½	.05	Dunwell	500	.17½	.19	.17	.17
1	1.00	.28	George Copper	600	.35	.35	.30	.30
50c	.12	.03	Geo. Enterprise	.....	.03	.....	.....	.....
1	.09½	.02	Georgia River	19,000	.03½	.03½	.02½	.02½
1	.36	.10	Golconda	1,200	.34	.32	.31	.31
50c	1.25	.40	Gold Belt	700	.50	.50	.45	.45
1	1.80	.95	Golden Belle	.....	1.50	.....	.....	.....
50c	.11	.03½	Grandview	9,800	.04½	.04	.03½	.03½
1	.01½	.00½	Independence	1,000	.00½	.00½	.00½	.00½
1	.05	.01	Indian Mines	1,000	.02½	.02	.02	.02
1	.17	.08½	Inter. Coal	2,000	.13	.13	.12	.12
1	.37	.36	Jack Waite	.....	.36	.....	.....	.....
50c	.57	.24	Kootenay Belle	4,500	.24	.28	.25	.28
25c	.04	.00½	Kootenay King	.....	.01	.....	.....	.....
25c	.01	.00½	L & L	.....	.00½	.....	.....	.....
1	.06	.00½	Lakeview	5,000	.00½	.00½	.00½	.00½
10c	.06½	.01	Lucky Jim	1,500	.04½	.04½	.04	.04
50c	.10	.01½	Marmot Metals	12,000	.03½	.03½	.03	.03
10c	1.05	.20	Meridian Mines	111,750	.39	.40	.27	.35
5c	.13	.04½	Metaline Metals	2,000	.04½	.04½	.04½	.04½
1	.03	.00½	Mohawk	7,000	.00½	.00½	.00½	.00½
1	.17	.08	Mogul	2,000	.09½	.08½	.08	.08
50c	.41	.18	Morning Star	19,000	.23	.23	.21	.22
1	.06	.00½	Morton Woolsey	1,000	.02	.02	.02	.02
1	.29	.05	Native Sons	17,500	.09	.09	.08	.09
50c	.10½	.01½	National Silver	20,500	.06	.06½	.05½	.05½
50c	.96	.74	Nicola	13,200	.90	.95	.88	.95
50c	.21½	.02½	Noble Five	20,000	.11	.12	.09	.10
50c	.02	.00½	Oregon Copper	.....	.01	.....	.....	.....
1	.35	.20	Pavilion	200	.15	.15	.15	.15
1	1.25	.40	Pioneer Extension	.....	1.10	.....	.....	.....
1	16.10	4.30	Pioneer Gold	2,260	11.50	12.25	11.25	12.00
1	.11	.10	Planet	.....	.10	.....	.....	.....
50c	.19	.04½	Porter Idaho	1,200	.10½	.10	.10	.10
No	.04	.00½	Premier Border	15,800	.01½	.01½	.01	.01½
1	.10	.02	Quatsino Copper	4,000	.03	.03	.03	.03
No	.42	.10	Reeves McDonald	200	.18½	.18	.18	.18
1	.18	.15	Reliance	.....	.15	.....	.....	.....
1	2.70	.60	Reno Gold	37,240	1.01	1.03	.84	1.00
1	.22	.04	Reward Mining	15,000	.09	.09	.08	.09
1	.10	.01	Rufus Argenta	4,000	.03	.03	.03	.03
1	.17	.01	Ruth Hope	1,000	.02½	.02½	.02½	.02½
1	.65	.40	Sally Mines	.....	.45	.....	.....	.....
1	.15	.03	Silverado	.....	.06½	.....	.....	.....
25c	.09	.01	Silver Crest	10,000	.03	.02½	.02½	.02½
20c	.03	.00½	Silversmith	1,200	.02	.00½	.00½	.00½
50c	.04½	.01	Snowflake	6,000	.01½	.01½	.01	.01
25c	.06	.06	Sonora	.....	.06	.....	.....	.....
1	.61	.40	Standard Gold	.....	.40	.....	.....	.....
1	.30	.20	Sunloch	.....	.20	.....	.....	.....
5	.40	.20	Toric	.....	.20	.....	.....	.....
50c	.03	.01	Topley Richfield	.....	.01½	.....	.....	.....
50c	.72	.06	Wayside	57,350	.45½	.48	.43	.47½
25c	.12	.01½	Waverly Tangier	61,800	.03½	.03½	.02½	.02½
25c	.03	.01½	Wellington	.....	.01½	.....	.....	.....
No	.36	.23	White Eagle	400	.24	.25	.25	.25
1	.18	.03	Whitewater	800	.07½	.07	.07	.07
1	.48	.40	Yankee Belle	.....	.42	.....	.....	.....

DIVIDEND PAYERS

	Rate	Yield %		Rate	Yield %
Ajax Oil	8c.	7.14	McLeod Oils‡	5c.	.....
Coast Brew	92c.	.....	Mercury Oils	4c.	.....
Coniagas‡	12½c.	.....	Merland Oils‡	5c.	.....
Coniaurum†	3c.	.....	Noranda‡	50c.	.....
Cons. Smelters*	10%	.....	Petrol Oil	2c.	.....
Dome Mines	$1+55c.	4.60	Premier	12c.	11.53
Falconbridge	20c.	.....	Pioneer, B.C.	60c.	6.31
Goldfield Cons.‡	5c.	.....	Royalite	50c.	.....
Hollinger	65c.+10c.	7.73	Siscoe	12c.	8.82
Howe Sound	$1	.....	Sterling Pacific Oil†	3c.	.....
Int. Coal & Coke†	2c.	.....	Sylvanite	4+3¼c.	.....
Lake Shore	$2+$1	6.59	Teck-Hughes	60c.	10.71
McIntyre	$1+75c.	4.73	Wright-Har.	20c.+10c.	4.28

*Stock. ‡Interim. †Initial. §Paid in 1932.

The Week in Mining

The Market Break

GERMANY'S withdrawal from the League of Nations had its repercussions in the mining market on Oct. 16 and the wholesale decline was not confined alone to mining shares for parts throughout the world reacted with but few stocks or commodities resisting the downward onslaught.

Trading was heavy in mining shares and the short interests had their awaited break, while the margin traders paid the inevitable price of being shaken downward and frequently out. Notwithstanding the decline in the price of gold in the London market, the dividend paying gold shares showed remarkable strength. Eyes now are focused on the future trend of gold in an effort to appraise the earnings trend of the leading producers, and thereby justify existing prices, which are for the most part still well above price levels prior to 1933.

* * *

Build Mills First

ALTHOUGH investors can witness the tottering remains of mills built prematurely in almost every mining area of Canada, building of mills before their time still remains the lurid accompaniment of many promotional programmes. Seeing a mill under construction to uninitiated and uninformed speculators, has an almost irresistible appeal to participate in the venture. The fundamental requirement of ore to feed a mill is given only a secondary consideration, and therefore milling plants, sometimes small and sometimes large, continue to be constructed long before there is the slightest justification other than the desire to cast a spell over the investor.

The policy of building these new mills prematurely is not alone confined to promoters; sometimes it is due to the lack of sound engineering advice or a desire to get into production, confident that profitable ore will evolve as development goes on.

Last winter Ventures, Ltd., built a mill at its Island Lake property in northern Manitoba, with nothing more than some shallow diamond-drill holes to indicate that ore existed. Shaft-sinking and mill construction proceeded simultaneously and this summer when lateral work disclosed a fault had cut off the ore below the 125-ft. level, the new mill, then completed, cast its shadow on an ambitious undertaking that now must await the development of ore.

In the Central Manitoba area the Oro Grande Development has just completed a 75-ton mill that was started simultaneously with a shaft to explore the surface ore showing. Sufficient time has not elapsed to show whether the expected ore will eventuate to feed this mill but the Commissioner of the Ontario Securities Act has cancelled the license of the financial sponsor of the company, which has halted the flow of public funds into the coffers of the enterprise.

The Amalgamated Goldfields Corp., better known as the Blue Quartz property in Beatty township, Ontario, is the latest to consider a mill before sufficient ore has been developed to sustain commercial operations.

Vipond Gold Production $124,947 in Last Quarter

Vipond continues to maintain its production on a basis comparable with previous quarters notwithstanding the near depletion of the known ore bodies and the lack of success attendant on the company's deeper development programmes. Normal value of production in the three months ended September 30 was $124,947, an average recovery of $4.71 per ton, as compared with $134,283 in the second quarter and $124,426 in the first quarter of 19[illegible]3.

The following tabulation gives production figures for the third quarter of the nine months' period ended September 30, 1933:

	3rd qu. 1933	9 mos. 1933
Total rec.,* $	124,947	383,611
Tons milled	26,533	82,464
Recovery per ton, $	4.71	4.65
Tons daily	288	302

*Exclusive of exchange compensation.

NORTHERN CANADA MINING CORPORATION, LIMITED

Invests in Canadian Mines and Mining Properties

J. B. TYRRELL,
President and Managing Director,
Room 930, 25 King Street West,
TORONTO, CANADA

Canadian Mining News

NIPISSING'S LOAN TO VENTURES LTD. BEING PAID BACK

Ventures Sell Ontario Refining Shares Given as Collateral

LIQUID ASSETS HIGH

Oil Subsidiary in Michigan Meeting Expenses—Beattie Expansion to 800 Tons Daily Imminent

Nipissing Mining Co. is to be repaid at once its loan made to Ventures Ltd. last year, The Financial Post is informed by an engineer conversant with the company's programmes.

As at December 31, 1932, this loan was carried on the Nipissing balance sheet at $250,714 and under the terms of the agreement is not yet due. As security for this loan Nipissing held 5,000 shares of Ontario Refining Co., the copper refining subsidiary of International Nickel Co. at Copper Cliff. Ventures is selling 2,300 shares of Ontario Refinery stock to liquidate the loan, which was secured in order to permit Ventures to carry its proportionate share of the cost of developing Beattie Gold Mines.

It is known that Ventures Ltd. is hard pressed for ready cash and therefore the decision to pay off its debt to Nipissing before due, has set speculation afoot in a search for the reason.

Not Selling Silver

Since closing down its silver property in Cobalt last year and leasing the mine to former employees to glean the remaining profitable silver ore, Nipissing has operated principally as a holding company with large liquid assets. As at December 31 last, its liquid assets were carried at $2,921,612, which included some 2,900,000 oz. of unsold silver, inventoried on the books at 24½ cents per ounce. Since that time silver has advanced approximately 50 per cent. Contrary to reports, Nipissing has not disposed of any substantial amount of this silver. A short time ago, when silver was near 40 cents an ounce, some 75,000 oz. were sold, but this constitutes the sales of silver this year.

The company had current liabilities totalling $1,147,557 as at December 31 last, giving it a working capital of approximately $1,750,000, to which might be added another $300,000 due to the increased value of its silver holdings. Therefore, the value of its current assets over current liabilities is equivalent to some $1.65 per share. In addition, the company owned on December 31 last some 1,150,000 shares of Beattie Gold Mines. Nipissing also owns 51 per cent interest in the Michigan Pacific Oil Co., which has developed oil leases near Saginaw, Michigan. Extensive leases are held in this area and the company has some ten wells producing under proration schedules. Operations are under the direction of Hugh Park, general manager of Nipissing, formerly in charge of the Cobalt operations but now a resident of Saginaw. Although the oil industry is in a chaotic state in the United States, production from the company's wells makes the operations of this subsidiary self-sustaining and officials are very hopeful that even without any improvement in the price of crude oil, Nipissing's investment in this venture, amounting to some $105,000, will be entirely repaid with a handsome profit. If proration schedules are increased, or the price of oil advances, the return of this investment will be speeded.

Beattie Outlook Improves

Nipissing has made many attempts to perpetuate its existence as a mining enterprise but in its holdings of Beattie Gold Mines, although a minority interest, the promise is given of large scale profitable operations once metallurgical problems are definitely settled and the present value of gold is sustained. According to the financing arrangements entered into with Ventures Ltd., Nipissing has provided most of the financing for Beattie and the shares that it has taken down to date give Nipissing an equity in the Beattie enterprise, at current market valuations, of approximately $1 per share of Nipissing.

Beattie is currently treating some 800 tons of ore daily, recently stepping up the capacity from 600 tons and immediate plans call for bringing the rated capacity to 1,800 tons, which will probably mean operating conditions of near 2,000 tons daily. For the present a high ratio concentrate is being made and shipped to a Tacoma, Washington, smelter owing to the arsenic present in the ore. Metallurgists are working on the most practical method to treat the ore in order to overcome this transportation cost and indications are that a roasting plant will be the next announcement at Beattie.

With Nipissing in a strong liquid position and a desire to participate further in the Beattie enterprise, assurance is given that in so far as Nipissing is concerned there is no hitch in the financing of a much larger programme at Beattie.

Ventures Assets Assay Much Dross, Little Gold

An Analysis of Company's Widespread Interests Shows Cash Low and Outlook For Shareholders Vague

Incorporated in 1928 by the Lindsley interests of Toronto, Ventures Ltd. is now in its sixth year of exploration effort throughout Canada to find a profitable mining operation. Hitherto that search has not rewarded investors expectations but it has resulted in so many companies being formed in which the public has an interest, that this article has been prepared with the object of indicating the measure of hope for each subsidiary and for the parent company so far as shown by activities and results to date.

The Ventures board of directors includes Thayer Lindsley, president; Halstead Lindsley, vice-president; Major General D. M. Hogarth, Col. C. D. H. MacAlpine, and Joseph Errington. As president of the company and a mining engineer born and educated in the United States, Thayer Lindsley is the dominating force in the organization. There can be no doubt that he shoulders the burden of responsibility for the vast activities of the company. Behind the scenes and at least associated in financial programmes of the company is Senator A. D. McRae, president of Selected Canadian Golds Ltd., which figured in optioning and underwriting a block of Ventures' shares as low as 30 cents per share last year, subsequently seeing them advance to $1.50 per share last June.

Able Technical Support

Great credit is due the Ventures' directors for the calibre of the subordinate officials and technical staff which are associated with the company and also for the widespread exploration effort that has been waged throughout Canada. Few companies have a more aggressive programme than Ventures or are spending money more liberally.

Had $100,000,000 Valuation

Amid the speculative frenzy of 1929 the shares of the company soared to $14.85 per share and big financial interests unhesitatingly lent their influence to assist the financial programme of the company. Because of those first high hopes the shareholders are now somewhat puzzled, as one after another the company's mining efforts are dropped, as new propositions are taken on and as the issued stock of its 10,000,000 share capitalization continues to increase.

It must be said at the outset that all this effort has not given the company what can be considered a profitable producer that can at this juncture be hailed as likely ultimately to pour dividends into Venture's coffers and thereby justify the expectations of its shareholders.

In 1929 market activity carried the valuation of the company's efforts to the dizzy height of $100,000,000 or twice the valuation of Hollinger or Lake Shore Mines in that year. The market valuation in June this year at $1.50 a share placed a valuation of between $11,000,000 and $12,000,000 on the company's undertaking.

Ton in Cash

The last financial statement, dated December 31, 1932, shows the liquid position of the company is far from satisfactory as current liabilities total $648,344 as against current assets of $72,672. While the current assets in the way of cash and receivables are low, the investments of the company present a formidable array and the recent market value of the shares held on December 31 last is more than equivalent to the current market valuation of the ventures undertaken. In addition, it has a long list of holdings in securities that are not listed; and further it has an interest in properties that are under development.

Among its listed investment holdings, Falconbridge Nickel Co. and Sudbury Basin Mines have a mar-

(Continued on page 19)

Oro Grande Sponsor License Cancelled

The selling license of the Foundation Securities, financing the Oro Grande Development Co. operations in the Central Manitoba area, has been cancelled by the Ontario Securities Commissioner, owing to an alleged infraction of the Securities Act by the salesmen canvassing subscriptions from door to door.

J. H. Newmark, manager of Foundation Securities, has appeared in the rôle of the "Old Prospector," giving talks over the radio sponsoring Oro Grande shares. Newmark is charged with being aware of the alleged breach in the regulations.

DOME EARNINGS IN THIRD QUARTER $1.03 PER SHARE

Nine Months Earnings Amount to $2.77 on Stock

Earnings by Dome Mines for the nine months ended September 30, 1933, amounted to $2,644,698, equivalent to $2.77 per share outstanding. Earnings in the three months ended September 30 were $982,723, equivalent to $1.03 per share, the highest earnings record in the company's 23 years' history as a producer in the Porcupine area.

Not only is the normal value of the company's production being maintained at higher levels than at any time in its history, but the added profit due to the appreciated value of gold is being manifested in earnings. In the quarter ended September 30, 1933, the normal value of the production was $1,018,804, bringing the total normal value of the production for the nine months to $3,402,095.

Nine Months Earnings $2.77

Higher earnings have prompted a more liberal dividend policy, and disbursements in 1933 cover the regular $1 per share, plus bonuses of 80 cents per share, or a total disbursement of $1.80. Inasmuch as earnings in the nine months' period were $2.77 before depreciation, while earnings in the last quarter were at the rate of $4.12, before depreciation it is evident that the company is rapidly adding to its already strong liquid position, which at the end of 1932 was equivalent to approximately $8 per share.

Malartic Strikes Ore in New 375-ft. Level Work

Developments at the Canadian Malartic Gold Mines in Fourniere township, 25 miles north of Noranda, continue favorable, The Financial Post is informed.

When operations were resumed last July the first work was directed toward determining the extension of the No. 2 ore body below the 125-ft. level. In August at a distance of 90 ft. from the main crosscut on this level the ore shoot was encountered and now comes a report that lateral development on the 375-ft. level has encountered an ore shoot. Work has not progressed sufficiently far to positively identify the vein structure, but Andrew Walz, mining engineer in charge of operations, is greatly encouraged by the turn of development, and believes it to be an extension of the No. 2 vein encountered on the levels above.

B. C. FUEL OIL TAX AID TO COAL MINES P. C. VALIDATES

Validation by Privy Council Likewise Aids Provincial Revenues

From Our Own Correspondent

VANCOUVER.—Judgment of the Imperial Privy Council validating British Columbia's fuel oil tax represents an addition of nearly $400,000 in annual provincial revenue. The Privy Council took the position that the 1930 legislation, unlike that previously passed which was declared ultra vires, clearly purports to exact a tax from the consumer of fuel oil, the amount of the tax being computed broadly according to the amount consumed. The previous legislation had been interpreted as an indirect tax and therefore unconstitutional so far as provincial taxing authority was concerned.

One important effect of the judgment is that the so-called meal tax imposed last spring by the provincial government may now be legalized, resulting in a further addition to provincial revenues.

The fuel oil tax amounts to half a cent a gallon.

The fuel oil tax was not taken into consideration this year in the preparation of the provincial estimates, so that the financial position of the province will be improved to the extent of close to half a million dollars, according to an estimate of Acting Finance Minister R. H. Pooley.

Another effect of the judgment and a very important one, will be to give the coal industry of British Columbia the protection that it has been seeking for years from the competition of foreign fuel oil. Col. C. W. Villiers, head of Canadian Collieries (Dunsmuir) Ltd., and several other leaders of the industry, told The Financial Post that a tax on foreign fuel might be considered the most important single factor in bringing about a general recovery of the long-languishing coal trade.

Judge Hylan Joins Board Stanley Siscoe Gold Mines

Judge John F. Hylan, former Mayor of New York, has been made Chairman of the Advisory Committee of the Stanley Siscoe Extension Gold mines, according to advice from the company. Judge Hylan, and other members of the American group interested in the company, plan a visit to Montreal this month to further familiarize themselves with the company's operations, in Northwestern Quebec.

Hollinger Mines Pays Third Five-Cent Bonus

The declaration of an extra dividend of five cents per share payable with the regular dividend of five cents per share on October 20, brings Hollinger's dividend disbursements to 70 cents to date for 1933. With two more five-cent regular dividends to be announced before the year ends the total dividends assured are 80 cents for 1933 as compared with 75 cents in 1932.

Diana Mines Acquires Gem Lake Property

A further chance is to be given the old Gem Lake Mines property in the Central Manitoba gold area by the recently formed Diana Mines Ltd. Gem Lake went into liquidation last year and the new company has now acquired the property with plans to resume further development at once.

W. HARGREAVES EARNS $1,426,772 IN EIGHT MONTHS

Net Profit Equivalent to 26 Cents Per Share; Cash Better

MILL NEARLY READY

Developments to 4,000-ft. Level Respond in Most Satisfactory Manner

The thirteenth annual report of Wright-Hargreaves Mines covering the eight months fiscal year ended August 31, 1933, reflects the best period in the company's 13 years as a gold producer in the Kirkland Lake area. Not only were earnings the highest on record but production was at new high levels and developments gave a substantial increase in ore reserves, with the new deep work giving a promising outlook for the future. Net profits were $1,426,772, equivalent to 26 cents per share as against dividend requirements of 22½ cents per share. This compares with a net profit of 32 cents per share in the twelve months ended December 31, 1932. Owing to changing the fiscal year ended to August 31, the present statement covers but an eight months period, but the earning record in that time was at the rate of 22 per cent better than in 1932.

Earnings from exchange compensation due to the higher price for gold were equivalent to 53 per cent of the net profits of the company, or nearly 14 cents per share.

The following tabulation gives comparative figures for the period under review as compared with the 12 months period of the last fiscal year.

Income and Surplus Account

Years Ended	Aug. 31, 1933 $	Dec. 31, 1932 $
Bullion produced	2,443,760	3,546,903
Less oper. expenses:		
Devel. & explor.	289,907	272,751
Stoping	454,477	612,646
Trans. & hoist. ore	159,723	250,982
Milling	226,572	321,024
Marketing bullion	13,984	18,784
New roads & gen. surface	24,353	29,707
Stock & transfer charges	8,763	4,828
Taxes	215,056	193,939
Gen. & admin. exp.	119,372	174,262
Silicosis	......	33,111
Net oper. earnings	931,553	1,634,869
Add non-oper. income:		
Exchange	757,684	435,964
Interest	41,063	63,007
Rent, etc.	2,588	......
Discts. earned	3,067	3,220
Miscellaneous	25	576
Total net earnings	1,735,980	2,137,636
Less: Depreciation	141,088	176,303
Devel. written off	68,120	183,130
Net profit	1,426,772	1,778,203
Less dividends	1,241,388	1,100,000
Surplus for year	285,384	678,203
Add: Prev. surplus	2,339,461	1,671,080
Less: Adj. inc. tax	......	9,822
Bal. car. forward	2,624,845	2,339,461

*Deficit.

Earnings per Share and Dividend Record—		
Earned	$0.26	$0.32
Paid	0.12½+.10	0.10+.10
No. of Shs. Outstand.	5,500,000	5,500,000

Development during the period under review centered about deepening the Nos, 3 and 4 shafts to the 4,000-ft. horizon and opening up the property at depth. The ore reserves were increased from 951,939 tons averaging $13.54 per ton in gold as at December 31, 1932, to 998,061 tons averaging $13.75 in gold as at August 31, 1933. Drifting totalled 7,463 feet, of which 48.7 per cent was in ore.

M. W. Summerhayes, general manager of the company, reported that the most important feature of the development work in the last eight months was the intersection of the North vein on five levels, the lowest of which is at 3,900 feet. On the 3,750-ft. level a strike fault has cut the North vein with a displacement of about 100 feet vertically. The grade of ore at the intersections and that in the small amount of drifting done has been above the run of mine grade.

Gleans Upper Levels

Of the 3,721 feet of ore developed in drifting, 536 feet was between the 550-foot and the 1,125-ft. horizons; 1,439 feet was between the 1,500-ft. and the 2,000-ft. horizons; 1,222 feet between the 2,125 and 2,850-ft. horizons and 524 feet between the 3,150-ft. and the 3,900-ft. horizons.

The future programme, according to Mr. Summerhayes, will be directed at the completion of all the exploration, development and mining of the levels above the 1,200-ft. level, so that it will be necessary to maintain and keep open an excessive number of levels. At the same time the lower levels will be explored and developed.

Production was maintained at the full capacity of the milling equipment with a change over to a new flow sheet early in the year, which formed part of the programme of mill rehabilitation involving a complete new steel mill building. This new mill is about 65 per cent completed and is expected to be in full operation later in the year giving a capacity of 1,000 tons daily.

The following tabulation gives production figures since the commencement of operations.

Production in Fiscal Years

Year	Daily av. tons	Tons milled	Recov. per ton	Bullion recov.
1921*	150	36,081	$13.00	$468,665
1922	184	66,181	11.52	762,752
1923	220	79,242	9.52	754,978
1924	235	84,487	12.89	1,088,725
1925	410	147,939	12.93	1,913,401
1926	425	153,392	14.02	2,150,844
1927	580	209,164	10.51	2,151,916
1928	710	256,331	7.20	1,845,923
1929	525	188,238	9.25	1,741,872
1930	615	220,430	11.03	2,431,896
1931	740	266,352	10.93	2,912,308
1932	810	295,525	12.00	3,546,903
1933*	796	193,441	12.63	2,443,760
		2,196,803		$24,213,943

*8 months.

Production costs advanced 92 cents per ton of ore treated, with taxes and marketing expenses increasing to $1.28 per ton. The following tabulation gives comparative costs for the last three years.

Production Costs per Ton of Ore Years Ended Dec. 31

	1933 $	1932 $	1931 $
Devel. & explor.*	1.50	1.54	1.33
Mining	3.17	2.92	2.91
Milling	1.17	1.09	1.17
Taxes & marketing	1.28	.72	.43
General & admin. exp.	.79	.85	.64
Oper. costs per ton	7.91	7.12	6.48
Deprec.	.73	.60	.24
Total cost	8.64	7.72	6.72

*Includes costs for ore developed in excess of milling requirements as follows: 1933, 29c per ton; 1932, 62c. per ton and 1931, 67c. per ton.

To correspond with the change in the fiscal year end the annual meeting of the company has been changed to the second Wednesday in November.

Working Capital as at

	Aug. 31, 1933 $	Dec. 31, 1932 $
Current assets	2,700,787	2,654,782
Current liabs.	467,444	739,914
Working capital	2,233,343	1,914,868

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Battle Looms Over Control Of Merland Oil

A battle looms for control of Merland Oil Co. of Canada, operating in the southern Turner Valley field, with the announcement that the meeting called for October 16 was cancelled following an injunction granted to Publix Oils & Gas pending the determination of the status of 500,000 shares of Merland stock.

Alfred Hinds, president of the company, called a meeting on October 16 to ratify the actions of the directors in purchasing leases from Publix Oils & Gas, in consideration of $50,000 and 500,000 Merland treasury shares. Inasmuch as Alfred Hinds was interested in Publix Oils, Fred Page Higgins, the Toronto trustee for Stobie, Forlong & Co., secured an injunction restraining the deal being consummated until shareholders had had a chance to ratify it. The answer of Mr. Hinds to this move was to cancel the meeting.

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Surface exploration work on this property has been completed. Selected samples show values up to $74 per ton in gold. Raising the gold at $20.67 per ounce. Four zones are indicated and preliminary diamond drilling has established widths of over 200 feet. Arrangements have been made with D. B. Howe & Co., New York, for the financing of development work on the property. Preparations are now being made for the sinking of a shaft.

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